

No. 12160

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United States  
Court of Appeals  
for the Ninth Circuit

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RALPH D. GOMEZ and WILLIAM HENDER-  
SON, as individuals and co-partners doing busi-  
ness under the name of Gomez Manufacturing  
Company,

Appellants,

vs.

GRANAT BROS., a corporation, and JOSEPH  
GRANAT,

Appellees.

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Transcript of Record

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Appeal from the United States District Court  
for the Northern District of California,  
Southern Division

**FILED**

MAR 5 - 1949

PAUL P. O'BRIEN,  
CLERK



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## INDEX

[Clerk's Note: When deemed likely to be of an important nature, errors or doubtful matters appearing in the original certified record are printed literally in *italic*; and, likewise, cancelled matter appearing in the original certified record is printed and cancelled herein accordingly. When possible, an omission from the text is indicated by printing in *italic* the two words between which the omission seems to occur.]

	PAGE
Answer and Cross-Complaint .....	10
Answer to Cross-Complaint .....	20
Appeal:	
Certificate of Clerk to Transcript of Record on .....	54
Counter Designation of Record on (DC)....	52
Designation of Record on (DC).....	44
Notice of .....	40
Order re Record on .....	53
Order that Exhibits be Considered in Orig- inal Form on (USCA) .....	146
Statement of Points and Designation of Rec- ord on (USCA) .....	145
Statement of Points Relied Upon on (DC)..	47
Undertaking on .....	41
Certificate of Clerk to Transcript of Record on Appeal .....	54
Complaint for Declaratory Judgment.....	2
Counter Designation of Record on Appeal (DC)	52

	PAGE
Cross-Complaint .....	14
Designation of Record on Appeal (DC) .....	44
Designation of Record, Statement of Points and (USCA) .....	145
Findings of Fact and Conclusions of Law .....	29
Judgment .....	37
Names and Addresses of Attorneys .....	1
Notice of Additional Prior Art .....	27
Notice of Appeal .....	40
Order for Judgment .....	28
Order re Record on Appeal .....	53
Order that Exhibits be Considered in Original Form (USCA) .....	146
Statement of Points Relied Upon (DC) .....	47
Statement of Points and Designation of Record on Appeal (USCA) .....	145
Stipulation of Facts .....	25
Transcript of Testimony and Proceedings .....	56

Witnesses for Defendants:

Gomez, Ralph D.

—direct .....	123
—cross .....	139
—rebuttal, direct .....	141

iii.

PAGE

Quick, Forrest R.

—direct .....	140
—cross .....	141

Witnesses for Plaintiff:

Vale, Baldwin

—direct .....	72
—cross .....	82

Wineroth, Joseph Norman

—direct .....	87
—cross .....	109
—redirect .....	122

Undertaking on Appeal and to Stay Execution	41
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In the United States District Court for the Northern  
District of California, Southern Division

No. 28018-G

RALPH D. GOMEZ,

Plaintiff,

vs.

GRANAT BROS., a corporation, and JOSEPH  
GRANAT,

Defendants.

COMPLAINT FOR DECLARATORY  
JUDGMENT

The plaintiff, Ralph D. Gomez, complains and  
alleges:

I.

That the defendant Granat Bros., is a corporation duly organized and existing under and by virtue of the laws of the State of California, having a regular and established place of business at San Francisco, and doing business within the Northern District of the State of California, Southern Division.

II.

That the plaintiff is a resident of the City and County of San Francisco, State of California; that he is doing business under the firm name and style of Gomez Manufacturing Company at 609 Sutter Street, San Francisco, California; and that he is a citizen of the United States. [1\*]

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\* Page numbering appearing at foot of page of original certified Transcript of Record.

## III.

That this Court has jurisdiction of this cause of action because it is a suit for a declaratory judgment under the Judicial Code, Section 274-d of the Federal Declaratory Judgment Act, Title 28, Section 400 U.S.C. which arises from an actual controversy between the plaintiff and the defendant Granat Bros. as to the alleged infringement by plaintiff and/or others of United States Letters Patent Nos. 2,016,492 and 2,059,228 granted to Joseph Granat on October 8, 1935, and November 3, 1936, respectively, for combination engagement and wedding rings, and now claimed to be owned and/or controlled by the defendant Granat Bros.; and because it is a suit under the patent laws of the United States.

## IV.

Upon information and belief plaintiff avers that Joseph Granat, in addition to being the patentee named in the said patents is an officer and director of the defendant corporation, and as such is actively engaged in the conduct of its business; that plaintiff has been and now is engaged in the business of manufacturing and selling jewelry; and the defendant, Granat Bros. is competitively engaged with plaintiff in the sale of ring ensembles of the type comprising a combination wedding and engagement ring.

## V.

Plaintiff avers that the aforesaid patents and each of them is invalid and void for the reason that the patentee Joseph Granat was not the original first and sole inventor or discovered of the com-

bination engagement and wedding ring ensembles or any material or substantial parts thereof, but that said inventions disclosed and claimed in the aforementioned patents and all of the material and substantial parts thereof had been disclosed to the public by others, invented by another or others than Joseph Granat prior to the dates of the alleged inventions [2] of Joseph Granat and/or more than two years prior to the filing dates of the applications which resulted in the aforesaid patents, as appearing in divers printed publications and patents of United States, to-wit:

Thomas, No. 1,536,540—May 5, 1925.

Dayton, No. 1,724,130—Aug. 13, 1929.

Liebs, No. 1,758,447—May 13, 1930.

Harris, No. 2,000,228—May 7, 1935.

Gross, No. 2,077,234—April 13, 1937.

Cassell's Building Construction, by Henry Adams, published by Caswell and Company, Ltd., in 1906, pages 184-185.

Modern Cabinet Work by Wells, published by B. T. Batsford N. Y. in 1910, pages 42 and 43;

Building and Construction by Markham, published by Longman's Green and Co., 39 Paternoster Row, London, England, in 1913, page 254;

Practical Building Construction by Allen published by Crosby Lockwood & Son, Ludgate, England, in 1927, pages 250, 251; and other publications.

## VI.

Plaintiff, on information and belief, avers that the said alleged inventions purported to be covered by the said Letters Patent Nos. 2,016,492 and 2,059,228 and particularly set forth in the claims thereof is devoid of substantial novelty in view of the well-known state of the prior art, and that it does not constitute patentable subject matter or invention or discovery within the meaning of the patent laws of the United States, and did not involve or require the exercise of the inventive faculty for its production, for which reason said letters patent are null, void and of no effect.

## VII.

Plaintiff, on information and belief, avers the fact to be that Letters Patent No. 2,059,228 and each of the claims thereof are invalid and void for the following reasons: [3]

(a) Because in the prosecution of the application for said letters patent, and particularly by the limitations and restrictions made therein under the requirements of the Commissioner of Patents during the proceedings in the Patent Office while said application was pending therein, the claims of said letters patent were so limited by the acts of said Joseph Granat and his attorney that the alleged novelty of the claims of said letters patent does not constitute patentable novelty within the meaning of the patent laws of the United States, and that plaintiff is estopped from denying that the alleged novelty constituted merely certain features already known in the art.

(b) That the claims of the said letters patent are defective and void, in that each of them defines an old and exhausted combination, to-wit, an engagement ring and a wedding ring together with coupling means for holding the said rings in interlocked relationship; and that the said claims of said letters patent and each of them are invalid and void for the reason that they do not set forth a patentable combination or structure.

### VIII.

That plaintiff, upon information and belief, further avers that the defendant Granat Bros. well knowing that the said patents and each of them, are invalid and of no force and effect, and that plaintiff has not committed any acts of infringement, has attempted and is now attempting to unlawfully and illegally capitalize the ownership of these invalid patents to the continuing irreparable damage and injury of this plaintiff and to the advantage of defendants.

### IX.

That plaintiff, upon information and belief, avers that defendant Granat Bros., after the granting of the aforesaid patents, notified this plaintiff and one or more of plaintiff's [4] customers of the existence of said patents and of the alleged rights of defendant thereunder, and threatened to sue said plaintiff and his customer or customers because of their manufacture and sale of ring ensembles alleged to be infringements of the said patents; and



that this was done by said defendant because it well knew that such customer or customers would rather not go to the trouble and expense of retaining patent counsel to investigate the scope and validity of the patents aforesaid or the rights of the parties but would adopt the easiest and safest course of either discontinuing the sale of plaintiff's ring ensembles or purchasing similar ring combinations from said defendant.

### X.

That this campaign of misrepresentation and intimidation has continued by repetition of the threats in letters, and that if this campaign by defendant Granat Bros., be allowed to continue, irreparable damage will be suffered by this plaintiff and by his customers.

### XI.

That said campaign of intimidation and misrepresentation has resulted in considerable loss of business to this plaintiff and that he has lost and will continue to lose the goodwill of those of his customers who have been misled into believing that plaintiff has no right to manufacture and sell the ring ensembles aforesaid and which defendants claim infringe upon the said alleged patent rights.

### XII.

That the volume of business done by this plaintiff is very substantial and that unless immediate relief is granted restraining and defendant Granat Bros. from engaging in a campaign of intima-

tion, harassment, and misrepresentation to plaintiff's customers the injury to plaintiff will be very great [5] and the damage to his reputation and business will be irreparable.

### XIII.

That plaintiff has already been irreparably damaged both in his business and in his reputation to a degree which at this time cannot be estimated, but to the best of his knowledge and belief exceeds Three Thousand (\$3,000.00) Dollars.

Wherefore, plaintiff prays:

(a) That this Court enter a judgment or decree declaring that Joseph Granat is not the original, first and sole inventor of the subject matter set forth in and claimed by the aforesaid letters patent Nos. 2,016,492 and 2,059,228;

(b) That this Court enter a judgment or decree declaring the patents aforesaid and each of the claims thereof are invalid and void and of no effect in law;

(c) That this Court enter a judgment or decree declaring that it is the right of this plaintiff to continue the manufacture and sale of the said ring ensembles without threats, or other interference by or from the defendants or their agents, employees or officers;

(d) That this Court enter a temporary restraining order and injunction pendente lite, enjoining defendants from directly or indirectly threatening plaintiff or any of plaintiff's customers, present or

prospective, with suits or actions of any nature on account of the alleged infringement of the afore-said letters patent;

(e) That this Court issue a permanent injunction of the same purport and tenor as the preliminary injunction prayed for as above;

(f) That this Court order defendants to account to plaintiff for the damages, costs and expenses he has suffered and has been forced to expend by reason of the threats, acts of intimidation [6] and unwarranted practices of defendants, afore-said;

(g) That this Court order defendants to reimburse plaintiff for his costs herein expended.

/s/ J. E. TRABUCCO,  
Attorney for Plaintiff.

/s/ RALPH D. GOMEZ,  
Plaintiff.

[Endorsed]: Filed April 16, 1948. [7]

In the District Court of the United States for the  
Northern District of California, Southern Division

Civil Action No. 28018-G

RALPH D. GOMEZ,

Plaintiff,

vs.

GRANAT BROS., a corporation, and JOSEPH  
GRANAT,

Defendants,

and

GRANAT BROS., a corporation,

Cross-Plaintiff,

vs.

RALPH D. GOMEZ and WILLIAM HENDER-  
SON, as individuals and co-partners, doing  
business under the name and style of GOMEZ  
MANUFACTURING COMPANY,

Cross-Defendants.

### ANSWER OF DEFENDANTS

Granat Bros., and Joseph Granat, and Cross-Com-  
plaint of Granat Bros., for Infringement of  
Letters Patent No. 2,059,228, and Unfair Com-  
petition.

Now come Granat Bros., a corporation, and Jo-  
seph Granat, defendants above named, and an-  
swering the complaint filed herein by plaintiff  
above named admit, deny, and allege as follows:

First Defense

1. Plaintiff's complaint fails to state a claim against defendants or either of them upon which relief can be granted. [8]

Second Defense

2. Answering paragraph I of the complaint, defendants admit the allegations thereof.

3. Answering paragraph II of the complaint, defendants deny that plaintiff is doing business under the firm name and style of Gomez Manufacturing Company at 609 Sutter Street, San Francisco, California, or elsewhere.

4. Answering paragraph IV of the complaint, defendants deny that plaintiff has been or is now engaged in the business of manufacturing and selling jewelry, and further deny that defendant **Granat Bros.**, is competitively engaged with plaintiff in the sale of ring ensembles.

5. Answering paragraphs V, VI, VII and VIII of the complaint, defendants deny each and every allegation thereof.

6. Answering paragraph IX of the complaint, defendants deny that the alleged notices of infringement and threats of suit were sent or made or done for the reason or reasons alleged by plaintiff in said paragraph.

7. Answering paragraph X of the complaint, defendants deny each and every allegation thereof.

8. Answering paragraph XI of the complaint, defendants deny that there has been any campaign of intimidation or misrepresentation, and also deny that there is or has been any such intimidation or

misrepresentation which has resulted in any loss of business to plaintiff; defendants further deny that plaintiff has lost or will lose any good will of any of plaintiff's customers, and deny that plaintiff's customers have been misled by defendant in any manner.

9. Answering paragraphs XII and XIII of the complaint, defendants deny each and every allegation thereof. [9]

### Third Defense

10. For a further and separate defense, defendants aver that plaintiff does not come into court with clean hands, in that, as defendants are informed and believe, plaintiff together with William Henderson doing business as co-partners under the name and style of Gomez Manufacturing Company, San Francisco, California, had sometime prior to the filing of this suit, made ring ensembles as set forth in one of said patents, and that after such manufacture and prior to the filing of this suit, said Gomez Manufacturing Company denied to defendants that said Gomez Manufacturing Company had ever made such rings, and sought to confuse defendant by stating to defendant that possibly defendants had been mistaken in identifying said Gomez Manufacturing Company as having made said ensembles; that at no time prior to the filing of this suit did plaintiff or said Gomez Manufacturing Company admit said manufacture, but sought, as defendants believe, to cause defendants to delay filing an action against plaintiff or said Gomez Manufacturing Company for infringement



of said Letters Patent, in order that plaintiff might first file this suit for declaratory judgment, and thereby create in the minds of the purchasing public, that plaintiff, and not defendants, is initiating the controversy on which this cause of action is based, and that defendants, and not plaintiff, are wrong-doers.

#### Fourth Defense

11. As a further and separate defense to this action, defendants allege that if any cause of action arises out of the subject matter of the complaint, such cause of action accrues to plaintiff and William Henderson as partners doing business under the firm name and style of Gomez Manufacturing Company; [10] that said William Henderson is a citizen of the State of California and a resident of this district, is subject to the jurisdiction of this court, as to both service of process and venue; that said William Henderson can be made a party without depriving this court of jurisdiction of the present parties, and has not been made a party nor joined as a party plaintiff in this action; and that the real parties in interest are not named in this action.

Wherefore, defendants pray that:

- (a) The court dismiss the complaint;
- (b) The plaintiff take nothing by this suit.
- (c) Costs of suit and reasonable attorney's fees be awarded defendants; and
- (d) The court award such other and further relief as may be just. [11]

## CROSS-COMPLAINT

## First Cause of Action

Defendant Granat Bros., cross-plaintiff, complains against plaintiff Ralph D. Gomez, William Henderson and Gomez Manufacturing Company, cross-defendants, for a cause of action for patent infringement and alleges:

## I.

Jurisdiction is founded on the existence of a federal question and the matter in controversy, in that the action arises under the patent laws of the United States and jurisdiction is particularly conferred by Title 28 U.S.C.A. Section 41(7), as hereinafter more fully appears. As hereinafter more fully appears cross-defendants are residents of and have regular and established places of business in the Northern District of California, Southern Division, and have committed acts of infringement herein complained of in said District and Division.

## II.

Cross-plaintiff, Granat Bros., is and was at all times herein mentioned a corporation duly incorporated under the laws of the state of California, having its principal offices at San Francisco, California, and doing business throughout the said Southern Division of the Northern District of California and elsewhere in the United States.

## III.

Cross-defendants, Ralph D. Gomez and William Henderson at all times herein mentioned were and now are co-partners doing business under the firm



name and style of Gomez Manufacturing Company and were and now are citizens and residents of the State of California, residing within the Northern District of California, Southern Division, and having at all times herein mentioned a [12] regular and established place of business in San Francisco, California.

#### IV.

On November 3, 1936, United States Letters Patent No. 2,059,228 were duly and regularly issued to Joseph Granat for an invention in a locked ring ensemble.

#### V.

That at least six (6) years prior to April 19, 1948, cross-plaintiff acquired the entire, right, title, and interest in and to said Letters Patent No. 2,059,228; that thereafter to wit on April 19, 1948, said Joseph Granat by an instrument in writing further assigned said Patent No. 2,059,228 to cross-plaintiff together with the full and sole right to commence and maintain any and all suits for past infringement of said patent, including suits for enjoining infringement, and to recover all damages by reason of said past infringement. Ever since at least six years prior to the filing of this complaint, cross-plaintiff has been and now is the owner of said Letters Patent.

#### VI.

Cross-defendants have for a long time past been and still are infringing said Letters Patent by making, using and selling locked ring ensembles embodying the patented invention, and will continue to do so unless enjoined by the court.

## VII.

Cross-plaintiff has placed the required statutory notice on all locked ring ensembles manufactured and sold by it under said Letters Patent, and has given written notice to cross-defendants of their said infringement.

## VIII.

Cross-defendants have denied that they have ever made [13] said ring ensembles prior to the receipt of cross-plaintiff's notification of infringement of said letters patent, and cross-plaintiff therefore asserts that the acts of infringement by cross-defendants must necessarily have been wholly wilful and committed with intent to cause injury and damage to cross-plaintiff.

## Second Cause of Action

Cross-plaintiff complains of cross-defendants, Ralph D. Gomez, William Henderson, and Gomez Manufacturing Company for a second cause of action for unfair competition and alleges:

## IX.

Jurisdiction is founded on the fact that the acts constituting unfair competition grow out of and are grounded upon the acts constituting the infringement set forth in said First Cause of Action. The matter in controversy exceeds, exclusive of interest and costs, the sum or value of \$3,000.00.

## X.

Cross-plaintiff refers to and makes a part hereof each and every, all and singular, the allegations contained in said First Cause of Action.

## XI.

Cross-plaintiff avers that ever since the issuance of said letters patent, cross-plaintiff Granat Bros., has pioneered on a national basis, and has established a large and lucrative business of the manufacture and sale of interconnecting ring ensembles of the general and specific types embodied in said letters patent, and has succeeded in creating for said business a very valuable good will and reputation all over the United States; that cross-defendants, as cross-plaintiff is [14] informed and believes, well knowing said good will and reputation, and never having made or sold any rings of said type for more than a few months prior to the date of this suit, are seeking to convert to and have in fact converted to cross-defendants' own benefit a substantial part of said good will and reputation, by manufacturing and selling said rings without authority from cross-plaintiff, all to the material injury and damage of said good will and reputation of cross-plaintiff.

## XII.

Cross-plaintiff avers on information and belief, that cross-defendants had sometime prior to the filing of this suit for declaratory judgment, made ring ensembles as embodied in one of the cross-plaintiff's patents in issue, and that after such manufacture and prior to the filing of such suit, cross-defendants denied to cross-plaintiff that cross-defendants had ever made such rings, and sought to confuse cross-plaintiff by stating to cross-plaintiff

that possibly cross-plaintiff had been mistaken in identifying cross-defendants as having made said rings; that said denial on the part of cross-defendants, as cross-plaintiff believes, was made so as to, and did, enable cross-defendant to secretly manufacture and sell large numbers of said infringing rings to various dealers before cross-plaintiff discovered same and brought suit for infringement; that cross-defendants did not at any time between the time of their said denial and the bringing by them of said suit for declaratory judgment, inform cross-plaintiff of said manufacture and/or the sale of said rings; that such information was withheld from cross-plaintiff, as cross-plaintiff is informed and believes, to cause cross-plaintiff to delay filing an action against cross-defendants for infringement of said Letters Patent, in order that [15] cross-defendants could first file said suit for declaratory judgment, and thereby create in the jewelry trade and in the minds of the purchasing public, that cross-defendants, and not cross-plaintiff, are initiating the controversy on which this action is based, and that cross-plaintiff, and not cross-defendants, is the wrong-doer; that as a result of said secret and extensive manufacture and sale of said rings and the premature filing of said suit by cross-defendants, a great deal of confusion has been created in the jewelry trade and particularly in the minds of dealers and customers of cross-plaintiff who were and are purchasers of such rings as manufactured by cross-plaintiff; and that said confusion on the part of said dealers and customers has and will

continue to greatly impair the good will and reputation which cross-plaintiff has over the years created in connection with its jewelry business and particularly in connection with the manufacture and sale of said ring ensembles.

Wherefore Cross-Plaintiff demands that:

(a) The court order William Henderson and Gomez Manufacturing Company to be made parties cross-defendants to respond to the Cross-Complaint herein; and

(b) A preliminary and final injunction against further infringement by cross-defendants and by each of them, and those controlled by said cross-defendants and by each of them be issued, and an accounting for profits and damages, an assessment of interest and costs against cross-defendants, and a reasonable attorney's fee be granted to cross-plaintiff; and

(c) Treble damages be awarded cross-plaintiff for the wilful nature of the infringement; and

(d) Damages in the amount of \$50,000.00 be awarded cross-plaintiff for the acts of unfair competition on the part [16] of cross-defendants; and

(d) The court grant such other and further relief as may be just.

JOSEPH B. GARDNER,  
Attorney for Defendants and  
Cross-Plaintiff.

(Acknowledgment of Service.)

[Endorsed]: Filed May 10, 1948. [17]



[Title of District Court and Cause.]

## ANSWER TO CROSS-COMPLAINT

Answering the cross-complaint on file herein, cross-defendants Ralph D. Gomez and William Henderson, co-partners doing business under the firm name and style of Gomez Manufacturing Company, allege as follows:

### I.

These cross-defendants admit they are residents of the Northern District of California, but deny they have committed acts of [18] infringement herein or elsewhere in the United States.

### II.

Admit the allegations set forth in Paragraph II of the cross-complaint.

### III.

Admit that they are citizens and residents of the Northern District of the State of California, and that they are doing business under the firm name and style of Gomez Manufacturing company.

### IV.

Admit that United States Letters Patent No. 2,059,228 were issued to Joseph Granat but deny the validity thereof.

### V.

These cross-defendants do not deny the allegations set forth in Paragraph V of the cross-complaint.

## VI.

Deny the allegations set forth in paragraph VI of the cross-complaint.

## VII.

Deny the allegations set forth in paragraph VII of the cross-complaint.

## VIII.

Deny the allegations set forth in paragraph VIII of the cross-complaint.

## IX.

The cross-defendants are uninformed as to all of the allegations set forth in paragraphs IX of the cross-complaint and therefore leave it to the cross-plaintiffs to make such proofs as they consider advisable.

## X.

These cross-defendants refer to and make a part hereof the statements given in answer to the allegations set forth in the [19] first cause of action of the cross-complaint.

## XI.

Deny the allegations set forth in paragraph XI of the cross-complaint.

## XII.

These cross-defendants deny each and all of the allegations set forth in paragraph XII of the cross-complaint, and more specifically they deny having made false and untrue statements concerning their

manufacturing activities, or that they sought to confuse cross-plaintiffs or either of them, or that any statements or denials were made for the purpose of enabling cross-defendants to secretly manufacture and sell large numbers of ring ensembles, or that the cross-plaintiffs were misled into assuming that cross-defendants would discontinue manufacturing ring ensembles while an investigation was underway with respect to the charges of infringement preferred against cross-defendants or either of them, or that this suit for declaratory judgment was commenced for the purpose of influencing the purchasing public into believing that cross-plaintiffs or either of them are wrong doers, or that cross-defendants secretly manufactured and sold ring ensembles, or that any confusion has been created in the jewelry trade, or that either the good will or reputation of cross-plaintiffs has been impaired by reason of any actions of these cross-defendants or by reason of the commencement of this action for declaratory judgment.

Further answering the allegations set forth in paragraph XII of the cross-complaint these cross-defendants aver that soon after they commenced the manufacture of ring ensembles a letter dated March 18, 1948, from Joseph B. Gardner, attorney for Granat Bros., was addressed to Ralph Gomez, one of the cross-defendants, charging him with infringing U. S. Patent Nos. 2,016,492 and 2,059,228; that upon receipt of said letter said Gomez telephoned [20] J. E. Trabucco, his attorney, who thereupon advised him that a complete search of the prior art should be made for the purpose of as-



certaining whether the said patents were valid and infringed; that a letter dated March 19, 1948, was thereupon sent to Mr. Gardner requesting time for the investigation of the infringement matter; that Mr. Gardner on March 20, 1948, replied by letter that unless a definite statement was received within twenty days the commencement of legal proceedings would be justified; that a search of the patent office records was immediately commenced to ascertain the state of the prior art, and a copy of the file history of one of the said Granat patents was also ordered; that prior to the expiration of the twenty days stated by Mr. Gardner to be the end of the period for withholding suit against Gomez, to wit, on April 5, 1948, a letter was sent by Mr. Gardner to the H. Morton Company of Oakland, California, a customer of cross-defendants, accusing the said firm of infringing the two patents in suit; that the cross-defendants were thereupon notified by H. Morton Company that the Gomez ring ensembles then on hand would be returned; that soon thereafter, to wit, on April 13, 1948, Mr. Gardner called Trabucco on the telephone and inquired as to what decision had been made with respect to the infringement matter, the reply being that it was thought the matter would be contested in court; that on April 15, 1948, a letter was sent to Mr. Gardner confirming the telephone conversation of two days previous thereby advising him of the intention of Mr. Gomez to contest the charge of infringement; that cross-defendant Gomez was advised by counsel that the sending of threatening letters of the type addressed to H. Morton Company to customers of

Gomez Manufacturing Company by Granat Bros., or its attorney, might continue indefinitely without suit for infringement ever being commenced; that upon being so advised and knowing full well that the business and good [21] will of Gomez Manufacturing Company would be jeopardized and irreparably damaged should the letters charging its customer with infringement be continued by cross-plaintiffs, cross-defendant Gomez instructed his attorney to commence this suit for declaratory judgment; and that the commencement of the said suit for declaratory judgment was initiated for the sole purpose of protecting the business and good will of the cross-defendants.

### XIII.

Further answering the cross-complaint on file herein the cross-defendants refer to and make a part hereof each and all of the allegations set forth in paragraphs V, VI and VII of their complaint on file herein.

Wherefore, cross-defendants pray that the cross-complaint on file herein be dismissed; that the letters patent in suit be held invalid or in the alternative not infringed; that cross-defendants be awarded costs of suit and reasonable attorneys fees; and for such other relief as may appear to the Court to be just.

/s/ J. E. TRABUCCO,

Attorney for Plaintiff and  
Cross-Defendant.

(Acknowledgment of Service.)

[Endorsed]: Filed May 17, 1948. [22]

[Title of District Court and Cause.]

### STIPULATION

It is hereby stipulated by and between the parties hereto through their respective counsel as follows:

1. That the plaintiffs-cross-defendants are Ralph D. Gomez and William Henderson, copartners doing business under the [23] name and style of Gomez Manufacturing Company and having their place of business at San Francisco, California.

2. That defendant - cross - complainant Granat Bros. is a corporation duly organized under the laws of the State of California, having its principal place of business at San Francisco, California, and defendant-cross-complainant Joseph Granat, an individual, is a resident of San Francisco, California.

3. That an actual controversy exists between the plaintiffs-cross-defendants and defendants-cross-complainants hereto as to the validity of United States Letters Patent No. 2,059,228.

4. That on November 3, 1936, United States Letters Patent No. 2,059,228 were issued by the United States Patent Office to Joseph Granat.

5. That the entire right, title and interest in and to said United States Letters Patent No. 2,059,228 were assigned to defendant-cross-complainant Granat Bros. by Joseph Granat, and that the entire

interest in and to said Letters Patent was at the time of filing the complaint and now is owned by defendant-cross-complainant Granat Bros.

6. That the charge or charges of the complaint as to United States Letters Patent No. 2,016,492 are dismissed without prejudice.

7. That if this Court finds that United States [24] Letters Patent No. 2,059,228 is valid, plaintiffs-cross-defendants Ralph D. Gomez and William Henderson admit that the ring ensemble manufactured and sold by them infringes the claims of said United States Letters Patent No. 2,059,228, it being understood that plaintiffs-cross-defendants Ralph D. Gomez and William Henderson deny the validity of United States Letters Patent No. 2,059,228.

8. That defendants-cross-complainants dismiss without prejudice the Second Cause of Action set forth in their Cross-Complaint on file herein.

9. That uncertified printed copies of Letters Patent of the United States and that photostatic copies of printed publications shall be received in evidence, when offered in evidence by either party with the same force and effect as the certified copies of Letters Patent or original copies of publication, subject to correction by competent evidence as to any errors therein appearing.

10. That Ralph D. Gomez and William Henderson, as copartners doing business under the name and style of Gomez Manufacturing Company, may be substituted as plaintiffs for the named

plaintiff in the complaint on file herein, and that all allegations of complaint may be deemed to be made on behalf of said substituted plaintiffs and that the answer to the complaint on file herein be deemed a complete answer to all of the allegations of the complaint made on behalf of the substituted plaintiffs.

/s/ J. E. TRABUCCO

Attorney for Plaintiffs-  
Cross-Defendants.

MELLIN AND HANSCOM

By /s/ JACK E. HURSH,

Attorneys for Defendants-  
Cross-Complainants.

San Francisco, California

Dated: September 14, 1948

So ordered.

/s/ LOUIS E. GOODMAN

District Judge

[Endorsed]: Filed Sept. 14, 1948. [25]

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[Title of District Court and Cause.]

### NOTICE OF ADDITIONAL PRIOR ART

To defendants and cross-complainant above named, and to Messrs. Oscar A. Mellin and Mellin and Hanscom, their attorneys:

You, and each of you, will please take notice that the following patents and publication, in addition to those heretofore listed in the complaint on



file herein, will be relied upon at the trial of the cause to prove that Joseph Granat was not the original, first and sole inventor of the locked ring ensemble disclosed and claimed in United States Letters Patent 2,059,228: [26]

Kelly, 152,233—June 23, 1874

Kaas et al., 424,211—Mar. 25, 1890

Bullard, 464,749—Dec. 8, 1891

Linderman, 517,348—Mar. 27, 1894

Grierson, 959,854—May 31, 1910

Atkinson, 942,047—Dec. 7, 1909

Tschirgi, 1,482,772—Feb. 5, 1924

Beaujard, 1,712,417—May 7, 1929

Hubbard, 1,715,293—May 28, 1929

Mittleburg, 1,829,366—Oct. 27, 1931

Birnbaum, 1,877,750—Sept. 13, 1932

Chats on Old Jewelry and Trinkets, by MacIver

Percival, published by Frederick A. Stokes Company, New York, N. Y., in 1912, page 267.

Dated: September 24, 1948.

/s/ J. E. TRABUCCO,

Attorney for Plaintiffs and  
Cross-Defendants

(Acknowledgment of Service.)

[Endorsed]: Filed Nov. 1, 1948. [27]

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[Title of District Court and Cause.]

### ORDER FOR JUDGMENT

Ordered:

The complaint is dismissed. The cross-complainants may take a decree upon findings to be

presented pursuant to the Rules, for an injunction and for an accounting of profits and damages and costs. Attorney fees will be fixed upon settlement of the Master's report.

Dated: November 24, 1948.

/s/ LOUIS E. GOODMAN

United States District Judge

[Endorsed]: Filed Nov. 26, 1948. [28]

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[Title of District Court and Cause.]

## FINDINGS OF FACT AND CONCLUSIONS OF LAW

### FINDINGS OF FACT

#### 1.

That Ralph D. Gomez and William Henderson, plaintiffs and cross-defendants, are residents within the Northern District of California, Southern Division, and are there doing business as copartners under the name and style of Gomez Manufacturing Company.

#### 2.

That Granat Bros., defendant and cross-plaintiff, is a California corporation, having its principal place of business within the Northern District of California, Southern Division.

#### 3.

That defendant-cross-plaintiff, Granat Bros., is the owner of all the right, title and interest in the patent in suit No. 2,059,228.

4.

That the patent in suit No. 2,059,228 was duly and regularly issued and is good and valid in law.

5.

That the claims of the patent in suit are not for an exhausted or old combination but properly define a patentable invention. [30]

6.

That prior to and at the time of filing the complaint herein an actual controversy existed between plaintiffs-cross-defendants and defendant cross-plaintiff as to the validity of United States Letters Patent No. 2,059,228.

7.

That long prior to the defendant-cross-complainant's production of the ring ensemble or set corresponding to that illustrated, described and claimed in the patent in suit No. 2,059,228, in the year 1934, there was a recognized need or want in the jewelry trade for a wedding and engagement ring set which would latch together to prevent relative rotation and axial movement between the rings when worn upon a finger.

8.

That prior to defendant-cross-plaintiff's production in 1934 of the ring ensemble or set illustrated, described and claimed in the patent in suit No. 2,059,228 there were no ring ensembles or sets on the market or offered for sale commercially in which the rings would latch together to prevent relative rotation and axial movement between the rings when worn upon the finger.



## 9.

That defendant-cross-plaintiff's production in 1934 of a ring ensemble or set corresponding to that illustrated, described and claimed in the patent in suit No. 2,059,228 satisfied the long felt want or need in the jewelry trade for a wedding and engagement ring set which would latch together and [31] prevent relative rotation and axial movement between the rings when worn upon the finger.

## 10.

That immediately upon defendant-cross-complainant's production in 1934 of ring ensembles or sets corresponding with that illustrated, described and claimed in the patent in suit No. 2,059,228 there was an immediate and widespread commercial demand for defendant-cross-plaintiff's said ring ensembles or sets all over the entire United States, and defendant-cross-plaintiff, commencing with the year 1934 and continuing to the filing of the complaint herein, each year sold ~~thousands of sets~~ approximately \$125,000 worth of sets [L.E.G.] of said patented ring ensembles and sets all over the United States.

## 11.

That despite the widespread commercial success of defendant-cross-complainant's rings corresponding to the patent in suit No. 2,059,228 during the years commencing with 1934 and extending to the year 1948, the jewelry trade completely refrained from in any manner imitating the patented ring ensemble or set.

## 12.

That while the prior art offered in evidence discloses wedding and engagement rings which latch together, the rings illustrated, described and claimed in the patent in suit accomplish that result in a manner substantially different than the prior art and by means substantially different than the prior art and produce the old result in a novel and improved manner. [32]

## 13.

That the ring construction illustrated, described and claimed in the patent in suit No. 2,059,228 was not an obvious mechanical expedient for accomplishing the result, and its production involved more than the skill of one skilled in the art and constitutes invention.

## 14.

That the ring construction illustrated, described and claimed in the patent in suit No. 2,059,228 was not the result of mere mechanical skill but was the result of the inventive faculty.

## 15.

That the patentee of the patent in suit by producing the ring ensemble or set illustrated, described and claimed in the patent in suit was the first in the art to provide a commercially practical ring ensemble or set of a wedding ring and engagement ring capable of being latched together to prevent relative rotation and axial movement when worn upon the finger.

## 16.

That although dovetail, tongue and groove or mortise and tenon devices were widely used in furniture making and the like and in the machinery business in general, the conception and practical application of the principle thereof to wedding and engagement ring ensembles to accomplish the result of preventing relative rotation and axial movement between such rings was the result of more than mere mechanical skill and was [33] the result of invention.

## 17.

That the prior art before the Patent Office was the most pertinent prior art on the subject of the patent in suit, and that the additional prior art offered in evidence was no closer to the patent in suit than that which was before the Patent Office during the prosecution of the application which resulted in the patent in suit.

## 18.

That the invention forming the subject matter of the patent in suit is not anticipated by the prior art in evidence herein.

## 19.

That defendant - cross - plaintiff's commercially successful ring ensembles were substantially identical in construction and mode of operation with that illustrated, described and claimed in the patent in suit No. 2,059,228.

## 20.

That plaintiffs-cross-defendants' accused ring ensembles or sets are substantially identical in con-

struction and mode of operation to the ring ensemble illustrated, described and claimed in the patent in suit No. 2,059,228 and a substantial copy of defendant-cross-plaintiff's commercial ring ensemble made under that patent as far as the connecting means between the rings is concerned. [34]

21.

That the ring ensembles or sets here accused as an infringement infringe the claims of the patent in suit.

22.

That plaintiffs'cross-defendants' infringement of the patent in suit No. 2,059,228 was done knowingly and deliberately and in ~~wanton~~ [L.E.G.] disregard of said patent No. 2,059,228 and defendant-cross-plaintiff's rights thereunder.

23.

That defendant-cross-plaintiff, Granat Bros., has been damaged in an amount equal to eight per cent (8%) of the retail sales price of the infringing rings manufactured and sold by or for plaintiffs-cross-defendants.

## CONCLUSIONS OF LAW

1.

That this Court has jurisdiction of the subject matter and of the parties.

2.

That the patent in suit No. 2,059,228 was regularly issued in accordance with law and that the claims thereof are presumptively valid.

3.

That plaintiffs-cross-defendants offered no evidence sufficient to overcome the presumption of validity of the [35] patent in suit No. 2,059,228.

4.

That the patent in suit No. 2,059,228 and each of the claims thereof is good and valid in law.

5.

That plaintiffs-cross-defendants have infringed the claims of the patent in suit No. 2,059,228 by the manufacture and sale of ring ensembles coming within the scope of the claims of the patent in suit.

6.

That defendant-cross-complainant, Granat Bros., is entitled to a judgment against plaintiffs-cross-defendants for damages in a sum equal to eight per cent (8%) of the retail selling price of ring ensembles manufactured and sold by or for plaintiffs-cross-defendants.

7.

That defendant-cross-complainant, Granat Bros., is entitled to an accounting to determine the extent of the manufacture and sale of infringing ring ensembles by or for plaintiffs-cross-defendants.

8.

That defendant-cross-complainant, Granat Bros., is entitled to a judgment against plaintiffs-cross-defendants awarding defendant-cross-complainant, Granat Bros., an injunction to be issued out of and under the seal of this Court, enjoining [36] plain-

tiffs-cross-defendants, and each of them, their associates, attorneys, employees, servants and those in privity with them, from in any manner manufacturing or selling or offering for sale ring ensemble sets coming within the scope of the claims of the patent in suit No. 2,059,228.

## 9.

That defendant-cross-complainant, Granat Bros., is entitled to a judgment against the plaintiffs-cross-defendants for its costs of suit herein.

## 10.

That due to the knowing, deliberate and intentional infringement of the patent in suit by the plaintiffs-cross-defendants, defendant - cross - complainant, Granat Bros., is entitled to a judgment against the plaintiffs-cross-defendants for reasonable attorneys' fees.

## 11.

That defendant-cross-complainant, is entitled to a judgment dismissing the complaint herein.

Dated this 6th day of December, 1948.

/s/ LOUIS E. GOODMAN,

United States District Judge.

A receipt of a copy of the within Findings of Fact and Conclusions of Law is admitted this 29th day of November, 1948.

/s/ J. E. TRABUCCO,

Attorney for Plaintiffs.

Approved as to form, J. E. Trabucco, Attorney for Plaintiffs.

[Endorsed]: Filed Dec. 6, 1948. [37]



In the United States District Court Northern  
District of California, Southern Division

Civil Action—No. 28018-G

RALPH D. GOMEZ,

Plaintiff,

vs.

GRANAT BROS., a corporation, and JOSEPH  
GRANAT,

Defendants,

and

GRANAT BROS., a corporation,

Cross-Plaintiff,

vs.

RALPH D. GOMEZ and WILLIAM HENDER-  
SON, as individuals and copartners, doing business  
under the name and style of GOMEZ MANUFAC-  
TURING COMPANY,

Cross-Defendants.

### JUDGMENT

This cause having come on to be heard upon the issues raised by the complaint for declaratory judgment and answer, and the cross-complaint and answer to the cross-complaint, and the Court having filed its Findings of Fact and Conclusions of Law, It is ordered, adjudged and decreed:

1. That plaintiffs-cross-defendants, Ralph D. Gomez and William Henderson, reside within the Northern District of California, Southern Division, and are there doing business as copartners under



the name and style of Gomez Manufacturing Company.

2. That Granat Bros., defendant-cross-plaintiff is a California corporation, having its principal place of business within the Northern District of California, Southern Division.

3. That this Court has jurisdiction of this cause and of the parties.

4. That the defendant and cross-plaintiff, Granat Bros., is the owner of the legal title of the patent in suit No. 2,059,228.

5. That the patent in suit No. 2,059,228 and each of the claims thereof is good and valid in law.

6. That the plaintiffs-cross-defendants, Ralph D. Gomez and William Henderson, have infringed the claims of the patent in suit No. 2,059,228.

7. That the complaint herein be and the same is hereby dismissed as to the defendants and cross-complainants.

8. That a writ of injunction issue out of and under the seal of this Court enjoining and restraining the plaintiffs-cross-defendants, and each of them, their associates, attorneys, employees, servants, and those in privity with them, from in any manner manufacturing or selling or offering for sale ring [39] ensemble sets coming within the scope of the claims of the patent in suit No. 2,059,228.

9. That the matter be referred to Commissioner Fox to act as a Master to make and render an ac-

count as to the extent of the manufacture and sale of infringing ring ensembles by or for plaintiffs-cross-defendants, and that the defendant-cross-complainant recover as damages from the plaintiffs-cross-defendants a sum equal to eight per cent (8%) of the retail sales price of the infringing rings manufactured and sold by or for plaintiffs-cross-defendants.

10. That the defendant-cross-complainant, Granat Bros., recover from the plaintiffs-cross-defendants reasonable attorneys' fees in this suit to be fixed by this Court upon the settlement of the Master's report upon the accounting.

11. That defendants and cross-complainant recover their costs and disbursements in this suit in the sum of Twenty six and 24/100 Dollars (\$26.40) and have execution therefor.

Dated: this 6th day of December, 1948.

/s/ LOUIS E. GOODMAN,  
United States District Judge.

Approved as to form J. E. Trabucco, Attorney  
for Plaintiffs.

A receipt of a copy of the within Judgment is  
admitted this 29th day of November, 1948.

/s/ J. E. TRABUCCO,  
Attorney for Plaintiffs.

Entered in Civil Docket Dec. 7, 1948.

[Endorsed]: Filed Dec. 6, 1948. [40]

[Title of District Court and Cause.]

### NOTICE OF APPEAL

Notice is hereby given that Ralph D. Gomez and William Henderson, co-partners doing business under the name and style of Gomez Manufacturing Company, plaintiffs-cross-defendants in the above entitled case, hereby appeal to the United States Court of Appeals for the Ninth Circuit from the judgment entered in this case by the Honorable Louis E. Goodman on December 7th, 1948, holding the patent in suit valid and infringed, and dismissing plaintiff's complaint, and from the findings of fact, conclusions of law and the rulings which [41] were adverse to plaintiffs-cross-defendants.

**RALPH D. GOMEZ AND WILLIAM HENDERSON**, doing business under the name and style of **GOMEZ MANUFACTURING COMPANY**.

By /s/ J. E. TRABUCCO,  
Their Attorney.

(Acknowledgement of Service.)

[Endorsed]: Filed Dec. 20, 1948. [42]

The Fidelity and Casualty Company of New York

In the United States District Court for the Northern  
District of California, Northern Division

No. 28018-G

RALPH D. GOMEZ, and WILLIAM HENDER-  
SON, co-partners doing business under the name  
and style of GOMEZ MANUFACTURING  
COMPANY,

Plaintiffs,

vs.

GRANAT BROS., a corporation, and JOSEPH  
GRANAT,

Defendants.

GRANAT BROS., a corporation,

Cross-Plaintiffs,

vs.

RALPH D. GOMEZ and WILLIAM HENDER-  
SON, as individuals and co-partners doing busi-  
ness under the name and style of GOMEZ  
MANUFACTURING COMPANY,

Cross-Defendants.

### UNDERTAKING ON APPEAL AND TO STAY EXECUTION

Whereas, the plaintiffs and cross-defendants,  
Ralph D. Gomez and William Henderson, as indi-  
viduals and co-partners doing business under the  
name and style of Gomez Manufacturing Company,  
in the above-entitled action has appealed, or is  
about to appeal, to the United States Circuit Court  
of Appeals for the Ninth District from a judgment  
or order made and entered against them in said

action in the court named in the caption hereof, in favor of the defendants-cross-plaintiff in said action on the 7th day of December, 1948 and said District Court has ordered the suspension of the order or judgment, issued of said action, pending the determination of said appeal by the said Circuit Court of Appeals upon the posting of this bond.

Now, Therefore, in consideration of the Premises, and of such appeal, the undersigned, The Fidelity and Casualty Company of New York, a New York corporation, authorized to act as sole surety under the laws of the United States, does hereby undertake and promise on the part of Ralph D. Gomez and William Henderson, co-partners doing business under the name and style of Gomez Manufacturing Company, plaintiffs and cross-defendants, and acknowledges itself bound in the sum of one thousand and no/100ths (\$1,000.00) dollars plus costs in the penal sum of two hundred fifty and no/100ths dollars (\$250.00) that the said Plaintiffs-Cross-Defendants will pay the amount to be directed to be paid by the judgment or order in full together with interest, and damages for delay, if for any reason the appeal is dismissed or if the judgment is affirmed, and to satisfy in full such modification of the judgment and such costs, interest and damages as the appellate court may adjudge and award.

This recognizance shall be deemed and construed to contain the "express agreement" for summary judgment, and execution thereon, mentioned in Rule 34 of the District Court.

In Witness Whereof, the Surety has caused this undertaking to be executed and its corporate seal

affixed by its duly authorized attorney, this 20th day of December, 1948.

THE FIDELITY AND CASUALTY INSURANCE COMPANY OF NEW YORK,

(Seal) By /s/ F. M. REIMERS,  
Attorney.

Approved this 20th day of Dec., 1948.

/s/ LOUIS E. GOODMAN,  
Judge of the U. S. District Court.

State of California,  
City and County of San Francisco—ss.

On this 20th day of December in the year One Thousand Nine Hundred and Forty-eight, before me, C. I. Treganowen, a Notary Public in and for the said City and County of San Francisco, residing therein, duly commissioned and sworn, personally appeared F. M. Reimers known to me to be the attorney of The Fidelity and Casualty Company of New York, the Corporation that executed the within instrument, and known to me to be the person who executed the said instrument on behalf of the Corporation therein named and acknowledged to me that such Corporation executed the same.

In Witness Whereof, I have hereunto set my hand and affixed my official seal in the City and County of San Francisco, the day and year in this certificate first above written.

(Seal) /s/ C. I. TREGANOWEN,  
Notary Public in and for the City and County of  
San Francisco, State of California.

My Commission Expires Oct. 26, 1952.



[Title of District Court and Cause.]

## DESIGNATION OF CONTENTS OF RECORD ON APPEAL

To the Clerk of the United States District Court for the Southern Division in the Northern District of California:

You are hereby requested to certify as the record on appeal in the above-entitled case to be filed in the United States Circuit Court of Appeals for the Ninth Circuit for use in [44] the appeal the following material:

1. The Complaint for Declaratory Judgment.
2. The Answer and Cross-Complaint.
3. The Answer to the Cross-Complaint.
4. The Stipulation (dated September 14, 1948).
5. The Notice of Additional Prior Art.
6. The Findings of Fact and Conclusions of Law.
7. The Judgment.
8. Plaintiffs'-cross-defendants' exhibits:

No. 1.—Printed copy of the Granat patent in suit No. 2,059,228.

No. 2.—Certified copy of the file wrapper and contents of the Granat patent in suit. (Physical Exhibit.)

No. 3.—The Book of Prior Art patents containing 12 printed copies of U. S. Patents. (Physical Exhibit.)

No. 4.—Printed copy of Granat patent No. 1,982,864. (Physical Exhibit.)

No. 5.—Catalogue entitled "Jewelers' Circular Keystone." (Physical Exhibit.)



9. Defendant-cross-plaintiff's exhibits:

A, B, and C.—Wedding and engagement ring ensembles. (Physical Exhibits.)

D.—Advertisements. (Physical Exhibits.)

E.—Ring ensemble marked on deposition of Ralph D. Gomez as Exhibit A for Identification. (Physical Exhibit.)

F.—Newspaper advertisement appearing in Humboldt Times. (Physical Exhibit.)

G.—Printed copy of Dayton patent No. 1,724,130. (Physical Exhibit.)

H.—Sketch marked on deposition of Ralph D. Gomez as Exhibit D for identification. (Physical Exhibit.)

I.—Ring ensemble comprising a wedding and an engagement ring. (Physical Exhibit.) [45]

(Those exhibits above designated as "Physical Exhibits" are not to be bound with the record but are to be transmitted as physical exhibits.)

10. Reporter's transcript of deposition of Joseph Granat taken on behalf of plaintiffs-cross-defendants commencing on page 2, line 5, of the transcript, omitting the following: page 5 lines 2 through 26; omitting all of pages 6, 7 and 8; omitting from page 9 lines 1 through 12 and also omitting from this same page lines 22, and 23; and omitting the last unnumbered page.

11. Reporter's transcript of deposition of Ralph D. Gomez, taken on behalf of defendant-cross-plaintiff commencing on page 3 at line 11, and omitting the following: page 4, lines 6 through 25; omitting from page 12 lines 2 through 26; omitting from page 13 lines 1 through 8; omitting from page 14

lines 16 through 26; omitting from page 15 lines 1 through 26; omitting all of pages 16 and 17; omitting from page 18 lines 1 through 23; omitting from page 21 lines 11 through 21; omitting from page 26 lines 18 through 26; omitting all of page 27; omitting from page 28 lines 1 and 2; omitting all of pages 29, 30 and 31.

12. Transcript of the evidence and proceedings before Judge Louis E. Goodman on November 12, 1948, omitting pages 1 to 18 inclusive (excepting lines 6, 7, 11, 12, 13, 14 and 15 of page 4; lines 5, 6, 7, 8 and 9 of page 5; lines 15 and 16 of page 8; lines 22, 23 24 and 25 of page 10, which lines are to be included in the printed record); omitting from page 19 lines 1 through 16; omitting from page 21 lines 3 through 25; omitting all of page 22; omitting from page 23 lines 1 through 5; omitting from page 26 lines 23 through 25; omitting from page 27 lines 1 through 12 and also omitting from this same page lines 16 through 25; omitting from page 28 lines 1 through 8 and also omitting from this same page lines 10 through 25; omitting all of pages 29, 30, 31, 32 and 33; omitting from page 34 lines 1 through 23; omitting from page 35 lines 1 through 4; and also omitting from this same page lines 8 through 11; omitting from page 36 lines 1 through 5; omitting from page 57 lines 20 through 25; omitting all of pages 58 and 59; omitting from page 60 lines 1 through 3; omitting from page 66 lines 19 through 26; omitting from pages 67, 68, 69 and 70; omitting from page 71 lines 11 [46] through 25; omitting all of page 72; omitting

from page 73 lines 1 through 20; omitting from page 74 lines 16 through 25; omitting from page 75 lines 1 through 5 and also omitting from this same page lines 12 through 25; omitting all of pages 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90 and 91; omitting from page 93 the last two lines; omitting from page 95 lines 12 through 25; omitting all of pages 96, 97 and 98.

13. Notice of Appeal.

14. Statement of Points Relied Upon.

15. Bond on Appeal.

16. This designation of Contents of Record on Appeal.

17. Clerk's Certificate.

/s/ J. E. TRABUCCO,

Attorney for Plaintiff-Cross-  
Defendants.

(Acknowledgment of Service.)

[Endorsed]: Filed Dec. 20, 1948. [47]

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[Title of District Court and Cause.]

## STATEMENT OF POINTS RELIED UPON

Now come the plaintiffs-cross-defendants, Ralph D. Gomez and William Henderson, co-partners doing business under the name and style of Gomez Manufacturing Company, by their attorney, and having filed an appeal in the United States Court of Appeals for the Ninth Circuit from the

final judgment heretofore entered in the above-entitled case on or about December 7, 1948, finding in favor of the defendants-cross-plaintiff, and [48] state that upon their appeal they will rely upon the following points:

1. That the Court erred in holding the patent in suit No. 2,059,228 is good and valid in law. (Finding of Fact No. 4; Conclusion of Law No. 4.)

2. That the Court erred in holding that the claims of the patent in suit are not for an exhausted or old combination and that they define a patentable combination. (Finding of Fact No. 5.)

3. That the Court erred in holding that there were no latched ring ensembles offered for sale commercially or on the market prior to the production of the ring ensemble illustrated, described and claimed in the patent in suit. (Finding of Fact No. 8.)

4. That the Court erred in holding that the jewelry trade refrained from imitating the defendant-cross-plaintiff's patented ring ensemble from 1934 to 1948. (Finding of Fact No. 11.)

5. That the Court erred in holding that the rings of the patent in suit latch together in a manner substantially different than the finger rings shown in the prior art, and that the rings of the patent in suit produce an old result in a novel and improved manner. (Finding of Fact No. 12.)

6. That the Court erred in holding that the ring construction of the patent in suit was not an

obvious mechanical expedient for latching two rings together and that its production involved more than mechanical skill and constituted invention. (Finding of Fact No. 13.)

7. That the Court erred in holding that the ring construction of the patent in suit was not the result of mere mechanical skill, and that it was the result of the inventive faculty. (Finding of Fact No. 14.)

8. That the Court erred in holding that the patentee was the first in the art to provide a commercially practical ring ensemble or set of a wedding ring and engagement ring capable of being latched together to prevent relative rotation and axial movement when worn upon the finger. (Finding of Fact No. 15.)

9. That the Court erred in holding that the use of the widely used dove-tail tongue and groove or mortise and tenon type of connection in latching two finger rings together in the manner shown in the patent in suit [49] amounted to more than mechanical skill and was the result of invention. (Finding of Fact No. 16.)

10. That the Court erred in holding that the most pertinent prior art on the subject of the patent in suit was that which was before the Patent Office during the prosecution of the application which resulted in the patent in suit, namely the Harris patent No. 2,000,228. (Finding of Fact No. 17.)

11. That the Court erred in holding that the subject matter of the patent in suit was not anti-



icipated by the prior art in evidence herein. (Finding of Fact No. 18.)

12. That the Court erred in holding that the defendant-cross-plaintiff's so called commercially successful ring ensembles were substantially identical in construction and mode of operation with that shown in the patent in suit. (Finding of Fact No. 19.)

13. That the Court erred in holding that the accused ring ensembles infringe the claims of the patent in suit. (Finding of Fact No. 21.)

14. That the Court erred in holding that plaintiffs-cross-defendants infringed the patent in suit or any patent rights owned by defendant-cross-plaintiff. (Finding of Fact No. 22.)

15. That the Court erred in finding and concluding that the defendant-cross-plaintiff, Granat Bros., had been damaged to an amount equal to eight percent (8%) of the retail sales price of the alleged infringing rings manufactured and sold by plaintiffs-cross-defendants, and that said Granat Bros., was entitled to such damages. (Finding of Fact No. 23, and Conclusion of Law No. 6.)

16. That the Court erred in holding that plaintiffs-cross-defendants offered no evidence sufficient to overcome the presumption of validity of the patent in suit. (Conclusion of Law No. 3.)

17. That the Court erred in holding that the defendant-cross-plaintiff, Granat Bros., is entitled to an injunction against plaintiffs-cross-defendants; that it is entitled to a judgment; and that it is

entitled to attorneys fees. (Conclusions of Law Nos. 8, 9 and 10.) [50]

18. That the Court erred in dismissing plaintiffs'-cross-defendants' complaint.

19. That the Court erred in not granting a decree holding the claims of the patent in suit invalid and void.

20. That the Court erred in not holding that the claims of the patent in suit are anticipated and void.

21. That the Court erred in not holding that all of the claims of the patent in suit set forth an old and exhausted combination and are therefore invalid and void.

22. That the Court erred in not holding that plaintiffs-cross-defendants did not infringe the patent in suit.

23. That the Court erred in not dismissing the cross-complaint.

24. That the Court erred in not awarding costs and attorney fees to plaintiffs-cross-defendants.

RALPH D. GOMEZ and WILLIAM HENDERSON, doing business under the name and style of GOMEZ MANUFACTURING COMPANY.

By /s/ J. E. TRABUCCO,  
Their Attorney.

(Acknowledgment of Service.)

[Endorsed]: Filed Dec. 20, 1948. [51]



[Title of District Court and Cause.]

COUNTER-DESIGNATION OF DEFENDANTS-  
CROSS-PLAINTIFF OF CONTENTS  
OF RECORD ON APPEAL

Come now Defendants-Cross-Plaintiff, Granat Bros., and Joseph Granat, and pursuant to Rule 75 of the Federal Rules of Civil Procedure designate the following additional portions of the record proceedings and evidence to be contained in the record on appeal:

1. The following additional portions of the Reporter's transcript of the proceedings and testimony taken at the trial of this case on November 12, 1948, are herewith designated to be contained in the record on appeal:

Page 29, line 18 to page 34, line 23, incl.; page 58, line 21 to page 59, line 2, incl.; page 71, lines 11 to 15, incl.; page 74, line 16 to page 75, line 5, incl.; page 75, line 12 to page 91, line 25, incl.; page 97, lines 18 to 21, incl.

2. This Counter-Designation of Defendants-Cross-Plaintiff of Contents of Record on Appeal.

MELLIN and HANSCOM,

By /s/ JACK E. HURSH.

(Acknowledgment of Service.)

[Endorsed]: Filed Dec. 27, 1948. [53]

[Title of District Court and Cause.]

### ORDER

It Is Hereby Ordered that pursuant to Defendants-Cross-Plaintiff's Motion under Rule 75 of the Federal Rules of Civil [54] Procedure, the Clerk of this Court include in the record on appeal:

1. Reporter's transcript of deposition of Joseph Granat taken on behalf of plaintiff-cross-defendants commencing on page 2, line 5, of the transcript, omitting the following: page 5, lines 2 through 26; omitting all of pages 6, 7 and 8; omitting from page 9, lines 1 through 12 and also omitting from this same page, lines 22, and 23; and omitting the last unnumbered page; and delete from the record on appeal:

2. Reporter's transcript of deposition of Ralph D. Gomez, taken on behalf of defendant-cross-plaintiff commencing on page 3 at line 11, and omitting the following: page 4, lines 6 through 25; omitting from page 12, lines 2 through 26; omitting from page 13, lines 1 through 8; omitting from page 14, lines 16 through 26; omitting from page 15, lines 1 through 26; omitting all of pages 16 and 17; omitting from page 18, lines 1 through 23; omitting from page 21, lines 11 through 21; omitting from page 26, lines 18 through 26; omitting all of page 27; omitting from page 28, lines 1 and 2; omitting all of pages 29, 30 and 31.

Dated January 4, 1949.

/s/ LOUIS E. GOODMAN,

United States District Judge.

It Is Hereby Stipulated by and between the parties hereto through their respective counsel that the above Order may be entered pursuant to Defendants-Cross-Plaintiff's Motion under Rule 75 of the Federal Rules of Civil Procedure.

/s/ J. E. TRABUCCO,  
MELLIN and HANSCOM,  
By /s/ JACK E. HURSH.

[Endorsed]: Filed Jan. 4, 1949. [55]

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[Title of District Court and Cause.]

### CERTIFICATE OF CLERK

I, C. W. Calbreath, Clerk of the District Court of the United States for the Northern District of California, do hereby certify that the foregoing and accompanying documents and exhibits, listed below, are the originals filed in this Court in the above-entitled case, and that they constitute the record on appeal herein as designated by the parties.

Complaint for Declaratory Judgment.

Answer of Defendants Granat Bros. and Joseph Granat, and Cross-Complaint of Granat Bros.

Answer to Cross-Complaint.

Stipulation.

Notice of Additional Prior Act.

Order for Judgment.

Findings of Fact and Conclusions of Law.

Judgment.

Notice of Appeal.

Undertaking on Appeal and to Stay Execution.

Designation of oCtents of Record on Appeal.

Statement of Points Relied Upon.

Counter-Designation of Defendants-Cross-Plain-  
tiff of Contents of Record on Appeal.

Order.

Plaintiffs' Exhibits Nos. 1, 2, 3, 4, 5.

Defendants' Exhibits Nos. A, B, C, D, E, F, G,  
H and I.

Deposition of Joseph Granat.

Reporter's Transcript for November 12, 1948.

In Witness Whereof, I have hereunto set my  
hand and affixed the seal of said District Court this  
20th day of January, A. D. 1949.

(Seal)

C. W. CALBREATH,  
Clerk.

[Title of District Court and Cause.]

# REPORTER'S TRANSCRIPT

Friday, November 12, 1948, 11:00 o'clock a.m.

Appearances: For Plaintiff and Cross-Defendants: J. E. Trabucco, Esq. For Defendants and Cross-Plaintiff: Messrs. Mellin and Hanscom, represented by Oscar A. Mellin, Esq. and Jack E. Hursh, Esq. [1 \*]

## Opening Statement on Behalf of Plaintiff

Mr. Trabucco: This action was originally commenced by Gomez Manufacturing Company against the defendant Granat Bros., for declaratory relief under the Declaratory Judgments Act, No. 400, Judicial Code Section 274(d).

The defendant Granat Bros. is the owner of the Joseph Granat patent No. 2,059,228, relating to a locked ring ensemble, in which an engagement ring and a wedding ring are held in joint relationship by a certain kind of connecting means.

The plaintiffs are manufacturing and selling ring ensembles embodying the disclosures of the Granat patent in suit, and at least one of the plaintiff's customers has been threatened with suit for infringement.

The plaintiff commenced this suit for declaratory relief, alleging that its business was in danger of being irreparably damaged by threats of suit by the defendants, and requesting that this Honorable Court declare the patent in suit invalid and not infringed.

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\* Page numbering appearing at foot of page of original certified Reporter's Transcript.

The defendants then filed a cross-complaint alleging infringement of the patent in suit. A stipulation is on file setting forth that an actual controversy exists, and that the patent in suit, if found by the court to be valid, is infringed. There is but one issue involved in this litigation, namely, is the patent in suit valid? The plaintiff contends that the [2] patent in suit is invalid for two reasons: First, because the prior art anticipates the claims which define the patented invention, and, second, because the claims in the patent in suit are fatally defective in that they define an old and exhausted combination consisting of two finger rings held in locked relationship by a well-known and commonly used type of connection.

The court's attention will be directed to the file history of the patent in suit, which discloses the fact that substantially all the prior art relied upon by the plaintiff to prove anticipation was overlooked by the Examiner during the pendency of the application in the Patent Office. It is the contention of the plaintiff that had the Examiner these prior art patents before him while the application was pending, the patent in suit would not have been granted. It is further contended the patent in suit is no longer presumed to be valid, and that the prior art fully anticipates all of the patent claims.

The Court: Is the plaintiff a merchant?

Mr. Trabucco: The plaintiff is the manufacturer of jewelry.

The Court: The defendant owns the patent. This is one of those cases where before you could file



a suit for infringement, the other fellow filed a suit.

Mr. Trabucco: That is correct, your Honor.

The Court: So, in reality, the defendant here is the owner [3] of the patent and is claiming that the plaintiff infringed.

Mr. Trabucco: Yes.

The Court: So the plaintiff came in ahead of time to have the court declare he was not infringing?

Mr. Trabucco: That is right, your Honor. At this time I would like to offer in evidence a printed copy of the patent in suit, the Granat patent—

The Court: Mr. Trabucco, there is no question of infringement? The only question is the validity of the patent?

Mr. Trabucco: That is correct, your Honor—Granat patent 2,059,228, issued November 3, 1936. I ask that that be marked Plaintiff's Exhibit No. 1.

The Court: It may be admitted.

(The patent referred to was thereupon received in evidence and marked Plaintiff's Exhibit 1.)

The Court: You are appearing for the plaintiff?

Mr. Trabucco: That is correct, your Honor. In the ordinary procedure I would be representing the defendant, you see.



The Court: You are taking the laboring oar. You are assuming that the owner of the patent, by virtue of the presumption of validity, is offering the patent in evidence and you are going to proceed now to present evidence as to its invalidity?

Mr. Trabucco: That is correct, your Honor. I am holding that the patent is invalid. [4]

The Court: And you are offering the patent in evidence?

Mr. Trabucco: I have offered it in evidence, your Honor.

The Court: You are doing a job for your opponent, then.

Mr. Trabucco: Yes, I am taking the laboring oar here.

I now offer in evidence the file wrapper and contents of the Granat Patent No. 2,059,228, and ask that it be marked Plaintiff's Exhibit No. 2.

(The file wrapper and contents referred to were thereupon received in evidence and marked Plaintiff's Exhibit No. 2.)

Mr. Trabucco: I next offer in evidence the deposition of Joseph Granat.

The Clerk: I believe that is on file, your Honor. May that be deemed in evidence?

Mr. Trabucco: I also introduce in evidence the stipulation of the parties, and I assume that the clerk would like to keep that in the file.

Mr. Mellin: If the Court please, with counsel's consent, may that be written by the reporter into the transcript, because it is really stipulations of

fact which we have agreed upon, so we do not have a separate exhibit.

The Court: Very well.

(The stipulation is as follows:)

“Stipulation

“It Is Hereby Stipulated by and between the parties hereto through their respective counsel as follows: [5]

“1. That the plaintiffs-cross-defendants are Ralph D. Gomez and William Henderson, co-partners doing business under the name and style of Gomez Manufacturing Company and having their place of business at San Francisco, California.

“2. That defendant-cross-complainant Granat Bros. is a corporation duly organized under the laws of the State of California, having its principal place of business at San Francisco, California, and defendant-cross-complainant Joseph Granat, an individual, is a resident of San Francisco, California.

“3. That an actual controversy exists between the plaintiffs-cross-defendants and defendants-cross-complainants hereto as to the validity of United States Letters Patent No. 2,059,228.

“4. That on November 3, 1936, United States Letters Patent No. 2,059,228 were issued by the United States Patent Office to Joseph Granat.

“5. That the entire right, title and interest in and to said United States Letters Patent No. 2,059,228 were assigned to defendant-cross-complainant Granat Bros. by Joseph Granat, and that the entire interest in and to said Letters Patent

was at the time of filing the complaint and now is owned by defendant-cross-complainant Granat Bros. [6]

“6. That the charge or charges of the complaint as to United States Letters Patent No. 2,016,492 are dismissed without prejudice.

“7. That if this Court finds that United States Letters Patent No. 2,059,228 is valid, plaintiffs-cross-defendants Ralph D. Gomez and William Henderson admit that the ring ensemble manufactured and sold by them infringes the claims of said United States Letters Patent No. 2,059,228, it being understood that plaintiffs-cross-defendants Ralph D. Gomez and William Henderson deny the validity of United States Letters Patent No. 2,059,228.

“8. That defendants-cross-complainants dismiss without prejudice the Second Cause of Action set forth in their Cross-Complaint on file herein.

“9. That uncertified printed copies of Letters Patent of the United States and that photostatic copies of printed publications shall be received in evidence, when offered in evidence by either party with the same force and effect as the certified copies of Letters Patent or original copies of publication, subject to correction by competent evidence as to any errors therein appearing.

“10. That Ralph D. Gomez and William Henderson as co-partners doing business under the name and style of Gomez Manufacturing Company, may be substituted as plaintiffs for the named plaintiff in the complaint on file [7] herein, and that all allegations of complaint may be deemed to

be made on behalf of said substituted plaintiffs and that the answer to the complaint on file herein be deemed a complete answer to all of the allegations of the complaint made on behalf of the substituted plaintiffs.

J. E. TRABUCCO,

Attorney for Plaintiffs-Cross-  
Defendants.

MELLIN AND HANSCOM,

By JACK E. HURSH,

Attorneys for Defendants-  
Cross-Complainants.

San Francisco, California.

Dated: September 14, 1948.

So ordered

LOUIS E. GOODMAN,

District Judge."

Mr. Trabucco: I next introduce in evidence the book of exhibits containing the following prior art:

Mr. Mellin: If your Honor please, before that offer is made I am going to object to it as being improper at this time, because there is no foundation laid. There is no showing that all of these exhibits are pursuant to the issue of validity here. Some of them, for example, while this matter concerns finger rings, some of the exhibits offered pertain to building construction, large mechanical construction, and some of them are not in time. I think some witness ought to be put on to testify to them so they could be objected to individually. [8] Some of them, of course, are proper.

The Court: How many prior art patents are you relying upon?

Mr. Trabucco: There are 13 prior art patents, but two of them are not relied on as anticipating the patent in suit.

The Court: In this type of case that is an awful lot of prior art.

Mr. Trabucco: Yes, but there is a group of patents, your Honor, which show a certain type of connection which is commonly used in various trades and in various prior art. There is a line of decisions which hold that where a certain device that is commonly used throughout various industries and various arts, that the selecting of that type of appliance and using it in some new art is not inventive. I have decisions on this point that are quite clear. For that reason these patents are pertinent here.

Mr. Mellin: I still think, your Honor, we ought to take them one at a time so we can get in an objection, not only to their relevancy, but their pertinency and competency as to dates.

The Court: Why don't you have them marked for identification at this point? Did you have in mind offering some testimony with respect to these?

Mr. Trabucco: Yes, I did, but irrespective of the testimony I believe they are proper evidence in this case. They [9] are prior art patents. We have a stipulation printed copies——

Mr. Mellin: I have no objection, your Honor, to the fact that they are photostats or plain copies. That we have no objection to. But we do have an objection as to the materiality of the subject matter of these patents.



The Court: Mark them for identification and I will rule on the objection later.

Mr. Trabucco: They are bound together and they are arranged in two groups. There is one group marked "Ring Ensembles," and the other group is designated——

Mr. Mellin: May I have counsel read them so I can check them off in my book, your Honor?

Mr. Trabucco: Yes. The other group is dove-tail tongue-and-groove connections. The patents included in the first group are the Kaas patent, 424,211; next the Bullard patent, 464,749; Thomas patent, 1,536,540; Beaujard patent, 1,712,417; Harris patent, 2,000,228; Gross patent No. 2,077,234.

Then in the other group of patents there is the Kelly patent, 152,233; Linderman, 517,348; Atkinson patent, 942,047; Tschirgi patent 1,482,772; Hubbard patent, 1,715,293; Mittleburg patent 1,829,366; Birnbaum patent 1,877,750.

The Court: Mark it plaintiff's Exhibit 3 for Identification.

(The book of patents referred to was thereupon marked Plaintiff's Exhibit 3 for Identification.) [10]

Mr. Trabucco: Mr. Vale, will you take the stand?

Mr. Mellin: If your Honor please, I wonder if I may have a chance to make my opening at this time, if he is going to call his witness?

The Court: Very well.

Opening Statement on Behalf of Defendants

Mr. Mellin: If the Court please, in order that the court may fully understand what is going to



happen and what the testimony of the defendant is, I might start out by saying, very briefly, that a notice of infringement was sent to this plaintiff on this patent, and a short time after that notice was given the alleged infringer responded to counsel, asking for time to look into the matter to determine whether or not there was in fact infringement in their opinion. And then there was a short interchange between counsel after that opinion apparently had been formed, and then within a relatively short time, a matter of a few weeks, this action was filed the day before the patent owner was to file his action. So there isn't any long harassment of customers. In fact, the only evidence that we can find that can be introduced of harassment was the notification of one jeweler in Oakland who had this ring, whose identity could not be determined from the ring, itself. That is how it happened that a customer was notified.

The patentee's evidence will show that sometime in 1929, and before that time, wedding rings, that is, diamond wedding [11] rings we are speaking of, were made with the diamonds completely around the circle of the ring, and the reason for that was if the rings on the finger were slightly loose, they would turn on the finger in ordinary practice, and the stones were all around the ring, so there would always be a nice presentation of the wedding ring alongside of the engagement ring, making the set.

Sometime in the neighborhood of 1929, when the crash came, there was a demand for a much less expensive wedding ring, which was partly fulfilled

by making the stones only partly around the circle, which were supposed to be presented alongside of the engagement ring to the front, and the rest of the ring was devoid of stones. That consequently was of much less expensive structure.

Some of these rings went into merchandising, but not to any real great extent, because the trade found in some instances they were not entirely satisfactory because the wedding ring, the stone part of it, would turn on the finger and sometimes it would be presented and register with the mounting or setting of the engagement ring matching it, otherwise there would be only part of the gold band exposed, and it did not present a real neat appearance.

The jewelry trade, as we will show in the evidence, tried to remedy that by finding some inexpensive method of keeping the two rings, one from turning relatively to the other, and [12] they did it by making a sidewise indentation in the wedding ring which would fit a projection, let us say, on the engagement ring, and that was supposed to keep them from relatively turning.

The Court: The purpose of that being so the stones would always be exposed on both rings?

Mr. Mellin: Yes, your Honor. It would be so that they could make it—if I may hand this up to your Honor for just a moment—make it so the stone setting of the wedding ring would be in register and match with the stone setting of the engagement ring. By the way, the rings I have handed your Honor are not rings in suit, but the ones I

am speaking of. If the rings are really tight on the finger, that would partially overcome this prior disadvantage and it would answer this demand by the jewelry trade for something that would overcome that slipness in the registration of rings. But this did not answer the problem, either, because if the rings were slightly loose on the finger, they would separate axially and that projection would not do any good, and the rings would have this prior disadvantage that the first ones had. We will show that there was a real demand in the trade for something that would respond to it, and we will show that this patentee, Joseph Granat, was the one who realized that something had to be done to respond to that demand and do something about it. In other words, he produced the ring which is the subject of the patent in suit, which could be so [13] latched together that the rings not only would not turn axially with respect to them, but they would not move this way so they could get apart. We will show that that ring was introduced in the trade in about 1934 and precisely, as shown in the patent, from 1934 to the present date literally thousands and thousands of them have been sold by this patentee, that is, those holding under the patentee, which is the nominal defendant here. We will show that the trade immediately accepted it as being something the trade had wanted for years, this type of ring, and it met with immediate and tremendous success.

We will show that despite his denial of the fact that this defendant or rather plaintiff Ralph M.

Gomez was a diamond setter here in San Francisco, and prior to 1940, or sometime during that period, over a period of years, he was employed as a sort of separate agent by the patentee, or those holding under the patentee, to set ensembles such as these with stones, and hundreds of rings a week would be turned over to him to have the stones set in these mountings which were supplied to him by the defendant, or someone holding under them, Mr. Gomez's testimony, as we will show, denies that he ever saw a ring of this construction prior to January, 1948; whereas we will show that in the City of San Francisco alone there were half page ads for the Granat retail store, half page ads advertising these rings regularly over a period of years from [14] 1934 to 1941 and up.

We will show, as your Honor gathered from the stipulation, that there is no contention here that the ring of the defendant is not precisely like the patent, or the ring of the alleged infringer is not precisely that of the patent or is not precisely the commercial product of the patent owner, or those holding under him. So we say that the evidence, given its full weight and value, will show that here was a question of deliberate copying from a man who had access to the patentee's products, could see the rings, who now denies that he ever saw one before 1948 when he produced the ring which is in question, but we will show that all during the period, despite the fact that hundreds of these rings were produced by the patentee over the period 1934 up, rings that sold in platinum up to \$650 a set, we

will show that no one all during those years ever contested this patent or produced a device up until with the last year and a half or two years, when the demand in the trade was so great for two rings that would latch together to accomplish these results that all the jewelry trade acquiesced in the patent by not producing the ring or contesting the patent. We will show that acquiescence to show that there must have been an invention involved, or the trade would have moved in on this particular business sooner. We will show by that acquiescence that there was an intention, and we will show that although these rings were sold nationwide [15] in practically every city in the United States from 1934 on, they were left in undisturbed possession until the demand got so great in the jewelry trade, competitors had to produce some kind of locking ring, whether it was efficient or not, in order to compete. We will show by those very things that what the defendant bases his defense upon here is that although there was a big demand in the trade for such a ring, and that there wasn't any fulfillment of that until this patentee fulfilled it, and which was immediately accepted by the public, now they say in hindsight that the invention was made in 1900, 1909, 1910, all the way through of different types of rings, none of which were ever commercialized, as the evidence will show, but they do not follow those prior patents. They give those the tribute of invention, but here, as the evidence will show, they made an exact Chinese copy not only of the patented structure, but also the commercial



structure which the defendant makes under its patent. The only issue is validity. That is the question. Whether this was invention or not is actually the issue under the pleadings. One of the pleadings, for example, in the complaint is that Joseph Granat, the inventor named in the patent, makes these defenses:

“Plaintiff avers that the aforesaid patent——” and, by the way, your Honor, there were two patents in suit originally, one of which was withdrawn by the consent of both [16] parties. One of them was a patent on this indentation idea, which we withdrew——

“——and each of them is invalid and void for the reason that the patentee, Joseph Granat, was not the original first and sole inventor or discoverer of the combination engagement and wedding ring ensembles, or any material or substantial parts thereof, but that said inventions disclosed and claimed in the aforementioned patents and all of the material and substantial parts thereof had been disclosed to the public by others, invented by another or others than Joseph Granat prior to the dates of the alleged inventions of Joseph Granat and/or more than two years prior to the filing dates of the applications which resulted in the aforesaid patent, as appearing in divers printed publications and patents of the United States, to-wit:——”

those being the patents.

Then the second charge of non-validity or invalidity is based on the fact that the plaintiff on infor-



mation and belief avers that "said alleged inventions purported to be covered by the said Letters Patent," giving the numbers, "and particularly set forth in the claims thereof is devoid of substantial novelty in view of the well known state of the prior art, and that it does not constitute patentable subject-matter or invention or discovery within [17] the meaning of the patent laws of the United States, and did not involve or require the exercise of the inventive faculty for its production, for which reason said letters patent are null, void and of no effect."

Then he says, "The plaintiff, on information and belief, avers the fact to be that letters patent No. 2,059,228 and each of the claims thereof are invalid and void for the following reasons:

"(a) Because in the prosecution of the application for said letters patent, and particularly by the limitations and the restrictions made therein under the requirement by the Commissioner of Patents during the proceedings in the Patent Office while said application was pending therein, the claims of said letters patent were so limited by the acts of said Joseph Granat and his attorney that the alleged novelty of the claims of said letters patent does not constitute patentable novelty within the meaning of the patent laws of the United States, and that plaintiff is estopped from denying that the alleged novelty constituted merely certain features already known in the art.

"(b) That the claims of the said letters patent are defective and void, in that each of them defines

an old and exhausted combination, to-wit, an engagement ring and a wedding ring together with coupling means for holding the said rings in interlocked relationship; and that the [18] said claims of said letters patent and each of them are invalid and void for the reason that they do not set forth a patentable combination or structure.”

I close with this, your Honor: There is only one issue for your Honor to decide, as I see it from the stipulation and the pleadings, and that is whether the invention patentable under the law was involved by the structures which we will produce, and which is shown in the patent, over the prior art, in view of the prior art they have produced, and we will contend that the evidence is insufficient to overcome the presumption of novelty which attaches to the grant of the patent, because it is our contention that the Patent Office had approved it and cited at least one patent which is as close to our structure as any of the prior art cited here.

The Court: We will take a brief recess before we proceed.

(Recess.)

BALDWIN VALE,

called as a witness on behalf of the plaintiff, and being first duly sworn testified as follows:

Q. (By the Clerk): Will you state your name for the record?           A. Baldwin Vale.

Direct Examination

Q. (By Mr. Trabucco): What is your occupation, Mr. Vale?           A. Patent attorney.

(Testimony of Baldwin Vale.)

Q. Have you ever acted as an expert in patent infringement suits? [19]      A. Many times.

Q. Will you state your qualification as an expert?

A. Well, I have been a patent attorney, drafting patent application for the Patent Office, including specifications, drawings and claims, and I am an inventor and have designed and manufactured everything from jewelry to agricultural implements. I have been superintendent of a harvester works, and I am familiar with practically every phase of invention, except chemistry.

Q. How long have you been a patent attorney?

A. 50 years.

Q. Do you recall how many cases you acted as expert in?

A. I haven't kept any record of it, but I recalled this morning a half dozen, perhaps, but I am sure that is not any considerable proportion of them.

Q. Have you examined the patent in suit, the Granat patent 2,059,228?      A. I have.

Q. Have you studied the claims of this patent?

A. I have.

Q. Are you familiar with the prior art comprising the various patents contained in Plaintiff's Exhibit for Identification No. 3, which are relied upon by the plaintiffs as anticipations of the claims of the patent in suit?      A. Yes, I have. [20]

Q. Will you state briefly what each of these prior art patents discloses?

The Court: Counsel, I have adopted a rule in patent cases to the effect that I see no necessity

(Testimony of Baldwin Vale.)

for any expert reading patents and explaining their meaning to the court. I say that in no way in criticism of the functions of a so-called expert, but I can read the patent, and the attorneys are familiar with the matter, and you can point out anything in that patent that you wish. I find it takes up an unnecessary amount of time having some patent attorney or expert tell the court what the meaning is of the language of a patent. I know that is somewhat revolutionary in patent procedure, but I believe the Federal Rules of Civil Procedure apply in patent cases, as they do in other cases, and one of the essentials is simplicity, the accomplishment of simplicity in procedure, and I see no necessity for another attorney taking the witness stand and making an argument as to the meaning of a patent. You can do that. You are familiar with it, and I will hear anything you have to say by way of argument, or in a brief, but I see no occasion for long explanations of so-called patent attorneys or experts with respect to patents. If you wish to have expert testimony to point out what you consider to be the similarities or fundamental similarities with respect to the prior art patents, that is all right. I have no objection to that. We just finished a case yesterday that was going to [21] take a week or ten days to try, and we tried it in, I would say, a day and a quarter by eliminating that, and the attorneys were told when they got through that they could explain those matters to the court argumentatively, or in briefs, as well as an expert could. It may appear

(Testimony of Baldwin Vale.)

to you experienced patent attorneys that the judge is being guilty of some affrontery in saying he does not want to hear these matters, but I think if you give considertaion to it you will find as lawyers who present these matters you are just as able to explain these matters argumentatively as the witness is. There is no need to put it in evidence. It will be before the court by way of argument and explanation on behalf of the attorneys, and there is no reason to make a long record of the argumentative features of the matter.

So I think with that explanation, if you will confine the testimony of the witness to such matters as need expert testimony by way of comparsion and the like, we will save considerable time, and then you may present the other phases of the matter that are argumentative in character in your briefs, or orally, as you see fit.

Mr. Trabucco: If I am too detailed in this matter I would be glad to have the court point out to me where I am overstepping my bounds, in view of the court's remarks.

The Court: I am not intending to be didactic about it. I just point that out, and you can proceed in accordance with that suggestion, [22] I think. You understand what I have in mind, and you can shorten the matter. It is not the function of the court to cut either side off in presenting any phase of the matter, except I feel the argumentative phase of the matter can just as well be presented by the lawyers as it can by witnesses.



(Testimony of Baldwin Vale.)

Q. (By Mr. Trabucco): In the prior art do you find two finger rings held in locked relationship? A. Yes, several times.

Q. Which patents are those the group of patents?

A. The patent to Kaas, is one. The patent to Bullard, two rings joined together.

Q. (By the Court): You say there are two rings joined together in the Kaas patent?

A. Yes. They are interlocked with an undercut notch in the joint. In Bullard we have a ring with an undercut recess, which is the bottom portion of the diamond setting. The Beaujard ring has a lug with a point or tenon that cuts up into that opening. So that comes under the heading of mortice and tenon, a socket and lug.

They have in Thomas a variation. It is more in the nature of a key lock, in which they form a socket in a definite shape and then form a lug to fit that shape, and the two rings are together at the axial alignment. They are held in alignment, and that locks them together and holds them together while they are on the finger. That the socket and lug principle again. [23] It goes by many names of mortice and tenon, keying, dove-tail joint, and has infinite varieties and is varied slightly with the particular line of business in which it is applied.

In Birnbaum we have a socket with a lug that fits that configuration of socket 21; the lug 20 fits that configuration and prevents relative movement between the parts. The same is true in the Harris



(Testimony of Baldwin Vale.)

patent. It has a lug and socket, one of the sockets being undercut.

The Court: Which one are you referring to now?

A. Harris. There is a side recess with a lug that fits into it, and as an alternative it has an undercut recess into which the lug can fit.

Q. (By Mr. Trabucco): In each of these patents that you have mentioned, particularly the first three, the Kaas, Bullard and Thomas patents, are those two rings of the ensemble shown as being held in locked relationship? A. They are.

Q. Does one ring rotate with respect to the other?

A. Only off the finger, yes. In joining them together they do in Thomas.

Q. Does the locking means shown in each of these patents prevent the two rings from rotating relative with respect to each other?

A. The locking means does prevent that rotation. It also prevents lateral separation. [24]

Q. In the patent in suit what type of locking means is provided?

A. A tongue-and-groove, or lug and recess, or tenon and mortice. He uses both terms in that patent in which a peg fits, a peg fits a hole, and in this instance the hole is a rectangular recess and the lug is of the same configuration, and they slip together just as the tongue-and-groove does.

Q. In the prior art do you find any similar type of connection between any two relatively movable members?

(Testimony of Baldwin Vale.)

A. Yes, that is common, particularly in carpentry, and in this prior art that you have in Exhibit 3, we find that in Birnbaum, that I have already described, Fig. 5 especially. In the patent to Kelly, which is very old, 1874, we have a tongue-and-groove connection between the staves of a barrel or a tub, so the tongue-and-groove idea is old. In almost any prior art where two things are going together, that is found. The same goes for Linderman. That is a tongue-and-groove connection, only it is a double tongue-and-groove, depending on the thickness of the parts.

In Atkinson, we have two rings. In this case it is a pipe coupling, but they are rings nevertheless, held in relation to each other by means of lug and recess, and also part of the joint has an overhanging lug that prevents them separating across the axis in one direction, which is common to the rings also.

The same thing goes for Grierson. That is also a pipe connection, [25] rather more complicated, but it involves the same tongue-and-groove and dovetail arrangement with a stop to align the axes of the parts.

In Tschirgi we have two cylindrical members joined together by the lug and socket dovetail joints, which is also called mortice and tenon. Each trade seems to prefer some different name.

In the Hubbard patent we have pretty much the same condition of a shaft joint that is rather more complicated, joined by tongue-and-groove, and dovetail in the joint. That is shown particularly Figures 4 and 5, a rather complicated arrangement, but

(Testimony of Baldwin Vale.)

for the same reason, prevention of axial disalignment and longitudinal separation of the coupling.

The patent to Mittleburg shows the same lug and recess arrangement, rather on a longitudinal or longer basis, but the same principle is involved regardless of size and length.

Those are characteristics. Nearly every piece of furniture is put together by that joint. This chair I am sitting in has several mortice and tenon joints.

Q. In each of the claims are the two rings of the ensemble included as elements of the combination? A. Yes, they are.

Q. What other elements, if any, are there in each claim?

Mr. Mellin: If your Honor please, I object to that type of testimony. It is for this court to determine the claims [26] as a matter of law, not for the witness to testify what he claims or his interpretation of the claims. That is purely a matter of law for the Court, and it is unheard of to have a witness to tell the court what the meaning of claims in the patent is, any more than for a witness to tell the court what the meaning of a contract is. That is a matter that speaks for itself. It is a matter for the court.

The Court: Read the question.

(Question read.)

The Court: I think that objection is good, Counsel. You can make your argument on it.

Mr. Trabucco: Yes, your Honor.

(Testimony of Baldwin Vale.)

Q. This prior art that is contained in the book of Exhibits marked Plaintiff's Exhibit 3 For Identification, will you consider all of that pertinent prior art in this matter?

Mr. Mellin: Your Honor, if you limit that question to those which have just been discussed I have no objection, but in that book is a patent to Grove which is in controversy with the patent in suit, and it is not in time, and I would have to insist that that patent to Grove, which is the last in the book, be eliminated from that question.

Mr. Trabucco: That is satisfactory.

The Court: In the book I have it is not the last one. Are you referring to the E. J. Grove patent?

Mr. Mellin: That is right. [27]

The Court: You say that is not in interference?

Mr. Mellin: That is not in time.

Mr. Trabucco: That is satisfactory, your Honor. I will limit my question to the other patents that are contained in the book of exhibits.

Q. Do you understand the question, Mr. Vale?

A. No, I would like to have it read.

(Question reread.)

A. Yes, I do.

Q. (By Mr. Trabucco): I will show you a catalog, the title of which is, "Jewelers' Circular-Key-stone," dated September, 1948, and ask you if you can point out a number of different types of ring ensembles which are held together in locked relationship illustrated in this catalog?

(Testimony of Baldwin Vale.)

Mr. Mellin: If your Honor please, I object to that question on the ground it is entirely immaterial. Here is a catalog of 1948 and this patent issued in 1936.

Mr. Trabucco: The purpose of the question is not to show anticipation of the invention, but merely to show that there are a large number of ring ensembles now in the market which embody locking means interposed between two rings to hold them in joint relationship.

Mr. Mellin: Your Honor, I do not see how that is material on the question of invention twelve years prior. I mean how does it help the plaintiff, here, if there are other infringers, [28] or there are followers after the fact? I do not see how it is material to the issue.

Mr. Trabucco: The contention is made here, your Honor, that commercial success validates the patent or is a presumption in favor of validity.

The Court: Counsel could not make that point because that is not the law.

Mr. Trabucco: It is a presumption in favor—

The Court: No, I think our circuit has held that commercial success is never a substitute for proof of novelty, but it may have evidentiary value on the question.

Mr. Mellin: That is right, your Honor. When the issue of commercial success is made, if a 1948 catalog rebuts it, that is another thing, but now they are trying to offer it after the fact.

Mr. Trabucco: I will hold it until after the defendant's case is in. That is all.



(Testimony of Baldwin Vale.)

Cross-Examination

Q. (By Mr. Mellin): Mr. Vale, what experience have you had in making or associated with the making of finger rings, particularly diamond engagement and wedding rings, if any?

A. Well, I designed my wife's engagement ring. I have designed diamond-studded jewelry, but I have not been in this ensemble part.

Q. Have you been in the general manufacture of rings of any kind? [29]

A. My clients have been.

Q. What experience has that given you, personally?

A. Just by looking and seeing and examining and suggesting.

Q. What clients were those, Mr. Vale?

A. I beg your pardon?

Q. What are the names of those clients?

A. The only one I have had recently has passed away, Mr. Tucker. I have not had any since. That is many years ago.

Q. As a matter of fact, in these cases that you experted as a patent expert, one of them was an accounting system of cards, card edges, isn't that right? A. That is right.

Q. None of these other cases had anything to do with jewelry, did they? A. No.

Q. So the knowledge you have gained of rings you gained solely from the record to which you testified here and in talking to one or more of the plaintiff's attorneys?



(Testimony of Baldwin Vale.)

A. On the contrary, I told you I designed my wife's engagement ring.

Q. Did it have a locking means?

A. No, it did not, but it was prepared for a locking means because the diamond was offset from the band.

Q. As a matter of fact, you know, Mr. Vale, from your long mechanical experience, that every mechanical element in itself has [30] in one form or another since almost time immemorial?

A. That is true, there is nothing new under the sun, except combinations.

Q. So when you take any mechanical machine, each of its parts, if you took them up by themselves, is out in the open?

A. That is right.

Q. In the patents you testified to, the patent to Kelly, in Exhibit 3, is a large wooden tub, isn't it?

A. That is right, if I remember correctly.

Q. The patent to Linderman, that is some form of making large wooden boxes, isn't that so?

A. Well, it shows a dove-tail mortice joint.

Q. I understand that. I am just asking if that is a way of connecting boards.

A. That is a way of connecting flat boards together to form a table top, or whatever is done.

Q. The patent to Atkinson is a relatively large coupling—that is, relatively large with respect to a wedding ring—for connecting large holes or pipes together, is that correct? Just answer the question.

A. Size does not enter in there.

Q. I am not asking you to argue, Mr. Vale; I

(Testimony of Baldwin Vale.)

am asking you if it is a fact that it is a relatively large coupling to couple pipes together?

A. I have seen pipes smaller than rings. [31]

Q. Would you answer the question now?

A. That is for connecting pipes together, yes.

Q. The patent to Grierson is likewise a pipe connection, is that not so?

A. Yes, that is a pipe coupling.

Q. It does not tell you in there that this form of connection can be made for connecting a wedding ring to an engagement ring, does it? It tells you in there? If so, please tell me where it is.

A. Connecting a wedding ring, no. You do not have to do that. The patent would be a mile long if you wrote in all the things it could be used for.

Q. The patent to Tschirgi, 1,482,772, that is for connecting concrete pipe joints, isn't it?

A. That is right.

Q. And concrete pipe is made in the smallest diameter 6 inches up to about 8 feet in diameter, isn't that so?

A. That is correct.

Q. Mr. Vale, taking all of the patents which you have before you and which you testified to, have you ever seen a commercial wedding ring and engagement ring that is put out commercially made such as illustrated in those patents, in those construction?

A. Personally I have not, no.

Q. You have never seen one, have you?

A. No. [32]

Q. So, as far as you are concerned, you would not know whether any were made, or not?

A. No, it would not alter the fact.

(Testimony of Baldwin Vale.)

Q. As a matter of fact, you are not a skilled jeweler, are you, in the way of manufacturing jewelry?

A. I would not claim to get into the very fine stuff. I have made some crude stuff.

Q. As a matter of fact, you would not know from any wide experience in making jewelry whether or not it would be practical from the commercial viewpoint, taking into consideration the manufacturing of it, the wear to which these rings were subjected over the years, and similar factors, whether or not it would be practical to make rings according to these patents to which you testified?

A. Well, I think so.

Q. But that is based solely upon your opinion?

A. Yes. I have never made any.

Q. So of all the patents you have referred to in the prior art, at least the patents to Kelly—let me check over these with you; you may check with your book—Birnbaum, Linderman, Middleburg, Tschirgi, Atkinson, Grierson and Hubbard do not refer specifically to wedding rings or finger rings in any fashion do they?

The Court: That is self evident, isn't it?

Mr. Mellin: May I have the one answer, your Honor? I think [33] the answer is simple.

The Witness: The only one I am in doubt about is Hubbard.

Q. (By Mr. Mellin): Hubbard, as I recall it, is an electric light fixture. That is a shaft coupling. I beg your pardon.

(Testimony of Baldwin Vale.)

A. May I have the question, please?

(Question read.)

A. No.

Q. (By Mr. Mellin): So that leaves, of the prior art to which you have referred, the patents to Kaas, Thomas and Harris as the ones that disclose finger rings, isn't that correct?

A. Kaas, Bullard is a finger ring—

Q. I beg your pardon, Kaas, Bullard, Thomas and Harris.      A. That is right.

Q. Now, none of those show the precise construction of the wedding ring connection as shown in the patent in suit, isn't that correct?

A. Not precisely, they do not.

Q. In other words, what they are intended to do in the prior art, as you testified, was an attempt to accomplish a somewhat similar purpose to prevent them from relatively rotating and separating?

A. That is the purpose, yes.

Mr. Mellin: That is all.

Mr. Trabucco: At this time I would like to have this exhibit marked Plaintiff's Exhibit 3, your Honor. [34]

The Court: Do you wish to ask any more questions?

Mr. Trabucco: No, the plaintiff rests.

(Testimony of Baldwin Vale.)

Mr. Mellin: I have no objection to that exhibit, your Honor, assuming that the Gross patent is removed from it.

The Court: Very well.

(Plaintiff's Exhibit 3 For Identification was thereupon received in evidence.)

The Court: I think before you proceed with your case we will recess until two o'clock.

(A recess was thereupon taken until two o'clock p.m.) [35]

Afternoon Session, November 12, 1948, 2:00 p. m.

Mr. Mellin: May I file at this time the deposition of Mr. Ralph D. Gomez?

JOSEPH NORMAN WINEROTH,

was called as a witness on behalf of plaintiff, and being first duly sworn testified as follows:

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Direct Examination

Q. (By Mr. Mellin): Will you give your full name, your age, and [37] residence?

A. Joseph Norman Wineroth, 53, 2121 Broadway.

Q. San Francisco? A. San Francisco.

Q. What is your occupation?

A. President of the L. A. Giacobbi & Company and the Granat Manufacturing Company.

Q. Where are those companies located?



(Testimony of Joseph Norman Wineroth.)

A. We are 114 Geary Street, on the Sixth Floor.

Q. San Francisco?

A. San Francisco, California.

Q. With respect to the L. A. Giacobbi Company, by whom is the stock in that company owned, and in what proportion?

A. I own a third of it, and Mr. Leo and Mr. Joseph Granat each own a third.

Q. And with respect to the Granat Manufacturing Company?

A. The same applies to that.

Q. What is the business of the L. A. Giacobbi & Co.?

A. We import diamonds and we take the entire output of the Granat factory and put the two together, and distribute them nationally through our sales force.

Q. When you say the entire output of the Granat factory, what kind of jewelry do you have reference to?

A. I want to correct something. I say the entire output. We take practically the entire output. A certain amount we [38] use for the retail stores and the other is sold through our company, which is nationally distributed.

Q. When you talk about your retail stores, you speak about the stores of the plaintiff?

A. Just the three retail stores of Granat Bros.

Q. What merchandise is principally concerned there?

A. We manufacture engagement and wedding rings.



(Testimony of Joseph Norman Wineroth.)

Q. Is that known, to some extent, as wedding ring and engagement ring ensembles?

A. That is correct.

Q. How long have you been in the business of merchandising, including your connection with the L. A. Giacobbi & Co. and the Granat Manufacturing Company, diamond wedding and engagement rings?

A. About 30 years.

Q. Did you have anything to do with traveling with respect to merchandising these rings?

A. I traveled extensively for 20 years, 22 or 23 years.

Q. Commencing when?

A. Well, in 1915.

Q. And ending some 22 years later?

A. Well, yes. I stopped traveling extensively about six or seven years ago.

Q. What parts of the country did those travels take you into regularly? [39]

A. The entire United States; that is, most of the principal cities.

Q. What were your duties? What did you do upon arriving at those various cities?

A. I was in charge of sales. That was my part of the activity in the firm. I took over the selling of all the merchandise through our own sales force, and then we had what we call distributors. In Kansas City we had a distributor, in Pittsburgh—in fact, we had one here in San Francisco, too. We had one in Seattle. We had one in Honolulu. Now, we ourselves sold directly to the dealers in the

(Testimony of Joseph Norman Wineroth.)

principal cities, and then these distributors, as we called them, they had a sales force of their own and we would sell them this merchandise and they in turn would sell it in the smaller towns which we could not reach with our own sales force.

Q. During those appearances and those travels over that period of time will you state whether or not you became familiar with what other products, competing products, that is, what diamond wedding and engagement rings were sold by competitors in those various places?

A. I did not get that question.

(Question read.)

A. Oh, yes.

Q. How would you do that, just very briefly?

A. Naturally in business it is not only my own job and my own [40] salesmen's jobs to know what the other fellow is doing, but we take the salesmen that work for these jobbers—I mean that was part of my job. When I would get to those towns we would have a sales meeting. They would tell me their troubles and tell me of their competition. Frankly, I think I was well aware of what our competitors were doing. That was part of my job to know.

Q. During that period of time, say prior to 1934, will you state whether or not you had ever observed the commercial sale or offering for sale of a diamond wedding ring and a diamond engagement ring which could be mechanically latched together?

A. You ask if I had ever seen one?

(Testimony of Joseph Norman Wineroth.)

Q. Prior to 1934.           A. No, definitely not.

Q. Did you subsequently see one?

A. Well, I saw the one that we manufactured.

Q. When was that, please?

A. Sometime between 1933 and 1944.

Q. That, as I understand your testimony, was the first time you had seen commercially a diamond wedding ring and a diamond engagement ring which could be mechanically latched together commercially?           A. That is correct.

Q. Prior to that time will you state briefly—a period of, say, five or six years prior to that time—the development [41] of the use of diamond wedding rings?

Mr. Trabucco: I see no reason for this testimony, your Honor. It has no bearing on the issues of this case. It is immaterial, incompetent, and irrelevant.

The Court: What is the purpose of this testimony?

Mr. Mellin: The point is we want to show there was a demand in the industry for them, and this supplied the demand, which under the authorities of this circuit, show there must have been invention. It goes to the point of invention solely.

The Court: You asked about diamond wedding rings.

Mr. Mellin: Diamond wedding and engagement rings.

The Court: You did not say that.

Mr. Mellin: I beg your pardon. I intended to.

(Testimony of Joseph Norman Wineroth.)

The Witness: I would like the question repeated.

(Question read.)

Q. (By Mr. Mellin): What type of rings were sold prior to that time?

A. We sold what were called a matching ensemble set. There was no locking feature. There was just an ensemble set.

Q. Will you state whether or not there were any disadvantages called to your attention with respect to that type of set?

A. The disadvantage to any ensemble set that does not have this locking feature is they would rotate; in other words, they would not be in alignment. A wedding ring may go one way and the engagement ring the other way, and naturally it does not lend [42] itself to as smart an appearance as one that was clasped together.

Q. Will you state whether or not to your knowledge there was a demand in the trade, say from 1929 to 1933, for a ring set that would latch together?

A. I can't answer that—a demand. If one were shown there is no doubt that there would have been a big demand.

Q. What was done, if anything, and if you know, at that time and prior to this mechanical latching that you speak of, by Granat Bros. in an attempt to keep the two rings from relatively rotating?

A. We brought out a ring that had a sort of notch in it. The wedding ring would fit into the

(Testimony of Joseph Norman Wineroth.)

mounting. That was done for the purpose of eliminating that rotating that I spoke about a moment ago.

Mr. Mellin: May I have this marked for identification Defendant's Exhibit A?

(A wedding ring and engagement ring ensemble were marked Defendant's Exhibit A For Identification.)

Q. (By Mr. Mellin): I hand you a wedding ring and engagement ring ensemble which is marked Defendant's Exhibit A For Identification, and call your attention to its construction, and ask you if that is what you meant by these attempts prior to 1934 to prevent the two rings from relatively rotating?

A. This is the ring we made for that purpose, to prevent [43] that turning or twisting.

Q. These rings you are referring to, the ones I am handing you? May I offer those in evidence, your Honor, as Defendant's Exhibit A?

The Court: Very well.

(Defendant's Exhibit A For Identification was thereupon received in evidence.)

Q. (By Mr. Mellin): Did those rings, such as Defendants' Exhibit A, overcome this problem of the two rings becoming out of register on the finger?

A. Frankly, this improvement that we made over the regular ring was not the improvement that we had hoped for. It did not do the job. It

(Testimony of Joseph Norman Wineroth.)

only did a very small part of the job. They still got out of alignment because there was nothing to hold them, and particularly if the ring happened to fit very snugly, it would do a fair job; but the average ring would not do a good job because it would slip just the same. There was nothing there to help it.

Q. You are referring now to Defendants' Exhibit A, which I just handed to you?

A. These sets, yes.

Q. Those sets, and as I understand your testimony, they were manufactured and put out by at least Granat Bros. sometime between 1929 and 1934?

A. That is right. [44]

Q. Speaking of the latching type rings, you saw in 1934, which you say were manufactured by Granat Bros., I hand you a diamond wedding ring and engagement ring ensemble.

May I have this marked Defendants' Exhibit B For Identification?

(The ensemble referred to was thereupon marked Defendants' Exhibit B For Identification.)

Q. (By Mr. Mellin): I hand you that ensemble marked Defendants' Exhibit B For Identification and ask you whether or not that is the type of rings which would latch together, which you say Granat Bros. produced in 1934 to overcome the shortcomings of this prior ring, Defendants' Exhibit A?

A. This is the set that we brought out to overcome the shortcomings of that previous set.



(Testimony of Joseph Norman Wineroth.)

Q. I call your attention to engraving within that ring and ask you what, if any, significance that has to you? Can you see it?

A. No, I can't.

(A magnifying glass was procured and the witness read as follows:)

“Jack to Doris, October 26,” I believe, “1934.”

Q. Do you know the history of the particular ring set I handed you?

A. Do I know the history of it?

Q. Yes. [45]

A. Well, frankly, I don't know just how to answer that. I don't know what you mean by that.

Q. How did this come into your possession? You gave it to me.

A. It was a set—in the retail store, the set was turned back for, let's see how to explain that to you—for exchange. In other words, that is a general practice in the jewelry business. If a person buys a set of rings and they wear it a certain length of time, if they want to buy a better set, the old set is turned back and a credit is placed against a larger sale.

Q. And Exhibit B For Identification came into your possession recently from that source?

A. It did not come into my possession. It came into Granat Bros. retail store and frankly it was shown to me, to show me how well the set had worn after so many years of wear, and then I remembered we had this thing involved and so I had it set aside.

(Testimony of Joseph Norman Wineroth.)

Q. Would you say that the date of 1934 would ordinarily, in the regular course of things, indicate the approximate date of purchase?

A. There would be no question about it.

Mr. Mellin: I offer that in evidence as Defendants' Exhibit B, your Honor.

(Defendants' Exhibit B for Identification was thereupon [46] received in evidence.)

Q. (By Mr. Mellin): I hand you a set of diamond wedding ring and engagement ring ensemble labeled Defendants' Exhibit C for Identification, and ask you if you recognize that set.

A. It is a set of our manufacture.

(The ensemble referred to was thereupon marked Defendants' Exhibit C for Identification.)

Q. (By Mr. Mellin): Did that have the mechanical locking feature? A. Yes.

Q. How does the mechanical locking or latching feature on that set compare with the 1934 set which is labeled Defendants' Exhibit B?

A. Just a moment. I want to get this straight. Exhibit B——

Q. That is 1934 platinum set.

A. That is exactly the same.

Q. Is the latching feature the same, or is it different? A. No, it is the same.

Q. The ring Exhibit C, as I understand it, is that of recent Granat production?

A. That is of recent, yes.

(Testimony of Joseph Norman Wineroth.)

Mr. Mellin: May I offer this Defendants' Exhibit C in evidence?

(Defendants' Exhibit C For Identification was thereupon received in evidence.)

Q. (By Mr. Mellin): I hand you Plaintiff's Exhibit 1 and ask you [47] if you have ever seen the drawing in that patent before. A. Yes.

Q. Would you state whether or not the construction of the latching feature shown in that patent, Plaintiff's Exhibit 1, is the same or different from the latching feature on the two rings, Defendants' Exhibit B and C which you just identified?

A. This is the same locking feature as on the two rings you just showed me.

Q. That is Defendants' B and C. Now, did you personally have anything to do with the sale of rings such as Defendants' Exhibit B and C, say, in 1934, 1935, 1936 and 1937?

A. Very much so.

Q. Will you tell us what was done by you with respect to selling these rings throughout the United States, if you did, during that period commencing in 1934?

A. Well, the rings, when they were brought out at the factory, naturally we assembled them with the diamonds and all and put them in our line, and they were sold by us to the stores that we sold to and then also sold to our distributors. Of course, they in turn, would sell them to their dealers.

Q. Did you, yourself, have anything to do with contacting dealers with respect to these particular rings B and C?

(Testimony of Joseph Norman Wineroth.)

A. Oh, yes, I personally sold quite a few of them.

Q. Will you tell us briefly what reception they got from the trade when you so introduced them or tried to sell them? [48]

A. Frankly, the trade was very enthusiastic over the locking feature of the ring. It was a feature they had been looking for. In other words, there were many instances, as I said in one of my previous remarks here—it was something to get away from this appearance of separation on the finger, and they were very enthusiastic about the ring, that is, the locking feature.

Q. Are your duties and your position such with the L. H. Giacobbi & Co. and the Granat Bros. Manufacturing Company that you would have knowledge of the approximate number of these ensemble sets such as in Exhibits B and C which were manufactured and sold by your concern, say, commencing with the year 1934?

A. Oh, yes, very definitely.

Q. I asked you the other day to examine the books of both the L. H. Giacobbi & Co. and the Granat Manufacturing Company to determine the amount manufactured of these particular rings during that period? Did you do so?

A. Frankly, we do not keep records that far back.

Q. Would your records be in such shape at any time so you could distinguish latching type rings from non-latching type rings?

(Testimony of Joseph Norman Wineroth.)

A. Yes, if it was recent—you see, at one time we didn't have that system of keeping accurate records, but, of course, in the last three or four years we put in that system. But prior to that I couldn't—I could tell you how many rings we sold and what they amounted to, but I couldn't give you the exact figures. [49]

Q. As I understand it, during the period 1934, 1935, 1936 and 1937, or in that period, you would have knowledge, wouldn't you, of the approximate amount of rings that you have sold, in money, all rings?

A. Yes.

Mr. Trabucco: Of course, these questions are leading, your Honor. I have not objected.

Mr. Mellin: I did not give him the answer. I asked him if he had knowledge.

Mr. Trabucco: You suggested what the answer would be.

The Court: You have reframed the question and asked him if he has knowledge?

Mr. Mellin: I asked him if he had knowledge.

Q. Do you have that knowledge?

A. Of how many——

Q. In money.

A. Well, yes. What were the years?

Q. Say 1934, 1936, 1938, and 1939.

A. At that time we did a business of a half million dollars.

Q. A year? A. In a year.

Q. In money? A. Money.

Q. That is all types of rings?

A. Everything we sold. That is all we did sell, frankly, outside [50] of some loose diamonds. We



(Testimony of Joseph Norman Wineroth.)

sold a certain amount of loose diamonds, but the biggest percentage of our volume was done in diamond rings.

Q. And that would be in an amount of about \$500,000 a year? A. Yes.

Q. Will you state the approximate proportion of that that would be represented in those years by these latching type rings B and C?

A. Frankly, in volume, now, it would probably represent between 18 and 22 percent of our sales.

Mr. Trabucco: I object to this question, your Honor, for the reason that there are several types of interlocking ring ensembles manufactured and sold by the defendant, and it seems to me the testimony should be directed to each type of interlocking ring and engagement ring so we can distinguish how many sales of each type were made.

Mr. Mellin: I am referring solely, and my question may be deemed to be referring solely to the type of latched rings represented by Exhibits B and C, which you had before you.

The Witness: I figure I gave you—I can only tell you about that particular ring, because that is the only ring we manufactured at that time. We had no other type.

Q. (By Mr. Mellin): You would say, then, of your total sales volume during the years 1934, 1935, 1936, 1937, and 1938, of that approximately 22 percent—— [51]

A. I would say anywhere from 18 to 22 percent. It is difficult to give you an exact figure.



(Testimony of Joseph Norman Wineroth.)

Q. —would be represented by sales of rings such as Exhibits B and C?

A. That is right.

Q. Did you continue the sale of those rings after the years 1937 and 1938? A. Oh, yes.

Q. Are those being manufactured and sold by the Granat Bros. and the L. H. Giacobbi Co. today?

A. Oh, yes, we have never stopped selling them.

Q. During the years, say, between 1934 and 1941, when the war started, were you in the business of manufacturing any type, and in selling any type of wedding ring and engagement ring ensembles that had a mechanical latching means other than these Exhibits B and C?

A. Up to what time?

Q. Say up until the time of the recent World War. A. No.

Q. By what trade name were these rings that we have been speaking of, B and C, known in the trade? A. "Wedlock."

Q. You are familiar, aren't you, somewhat with the advertisements in the City and County of San Francisco of the "Wedlock" rings that we have been discussing, the advertising of "Wedlock" rings? [52] A. Very familiar with that.

Q. You handed me yesterday, and I am handing you now, what you said were representative samples of advertisements of "Wedlock" rings, and will you give us the dates of those advertisements and tell us whether those actually appeared in the publications?

(Testimony of Joseph Norman Wineroth.)

A. Well, they actually appeared. This one here is dated June 1, 1941.

Q. Would you look in the back of the reduced photostatic copies of such advertisements and give us the earliest date?

A. This one is February 5, 1939.

Q. Is that the earliest date of all of those in the book?

A. That is the earliest date, I believe. Yes, the earliest date in here would be——

Q. Do these represent copies of all the advertisements of such "Wedlock" rings which appeared in San Francisco during those periods, or not?

A. Well, I wouldn't think so. I would think there would be more than those.

Q. Would you notice the rings appearing in those advertisements and tell me whether or not those rings so exhibited therein are or are not rings such as Exhibits B and C in evidence?

A. This is the same ring.

Q. In all of the advertisements?

A. Well, I have not looked at all of them now.

Q. Would you do so, please? [53]

A. I would say this ring appears in all these ads.

Mr. Mellin: May I offer those advertisements in evidence, your Honor, as Defendant's next in order?

The Court: Admitted.

(The advertisements referred to were thereupon received in evidence and marked Defendants' Exhibit D.)

Q. (By Mr. Mellin): Commencing with the time of World War II, late in 1941, would you state whether or not you manufactured a ring of a different latching structure than the one in suit? A. The start of what war?

Q. Say in 1942, right at the time of the start of the World War.

A. I will tell you. There was a change in style and we brought out—the demand was for a narrow ring, and this particular feature did not lend itself to locking of what we call a tailored ring. So we worked on another idea which we are now making as well. We had it ready to market, and when the war came along we just set it aside for the simple reason that conditions were such that we could sell anything we made. It was a ring that required more man hours of labor—both of those rings, in fact, this type of ring and the one I am speaking about now required more man hours of labor, and we set it aside and went ahead and manufactured the simplest type of ring, as we had a very much reduced crew in our factory, and to fill the demand we just made the simplest form of rings. [54]

Q. That is the form of rings without the latching means?

A. Yes, but we had this ring. We had this other locking ring and were holding it in readiness until the time that we felt we could manufacture it.

Q. What is the style trend now, if it is anything different?

(Testimony of Joseph Norman Wineroth.)

A. The style trend now is coming back to this wider type. The price ranges are changing. People have less money to spend and they want a showier ring. We have to have a ring with more body to it. We are going back to that other type. With changing conditions your price lines change.

Q. Are you acquainted with the plaintiff, Ralph D. Gomez?      A. Yes, I am.

Q. I understand he had some business dealings with the L. A. Giacobbi & Co., is that correct?

A. Oh, yes.

Q. And you dealt with him personally, at times?

A. Well, yes.

Q. Will you give us briefly, in your own words, the connection between Mr. Gomez and the L. H. Giacobbi & Co.?

A. Gomez Bros.—Ralph was one of them—they were in the diamond setting business. They were a firm of diamond setters. As I have mentioned previously, we would receive these rings from our factory and the diamonds we would import from Europe. When we got the rings it became naturally necessary to set them, or have a diamond setter set them. We were doing as much setting [55] as we could in the factory, and the overflow, as we call it, we would farm out, and we would farm them out to Gomez Bros., and they would do setting for us.

Q. When did this association commence, Mr. Wineroth?

(Testimony of Joseph Norman Wineroth.)

A. Well, I don't know exactly, but I think I would safely say—I know we have the records in our office for expense. It goes back to 1938.

Q. 1938?

A. That is as far back as I could tell you. It might have been before that. I don't remember.

Q. Did they set diamonds in wedding ring and engagement ring ensembles? A. Yes.

Q. During the period of 1938, 1939, 1940 and 1941, what type of rings were sent to them for the setting of diamonds?

A. We sent them everything—that is, everything that came down from the factory. There was no particular type given to them. It was just anything that came in.

Q. That is the general run that came from the factory, say, in the proportion that you were selling?

A. That is right—say that again?

Q. I mean in the proportion of the various types you were selling.

A. Oh, yes, they got some of everything.

Q. Would that include or would it not include ensemble sets as represented by Exhibits B and C in evidence? A. I would say so, yes.

Q. I asked you to look at your records and tell us how much money you paid to Gomez Bros. for setting diamonds for you during that period of 1938, 1939, 1940 and 1941. Do you have those records with you? A. I do.

Q. And these were on engagement rings and wedding rings of all types and, as I understand



(Testimony of Joseph Norman Wineroth.)

it—and I am not attempting to lead you and you can answer my question directly—would that include the normal 18 to 22 percent of these rings B and C? A. I would say so, yes.

Q. Will you give us those figures, please?

A. In 1938 they did this work that amounted to \$2698.

Q. How much would that represent in number of rings.

A. I am only guessing at this figure, because I have no way of telling, but at that time we paid about 20 cents a stone on an average to set, and if that was true, it would be about 3500 rings. I am figuring an average.

Mr. Trabucco: If the Court please, I object to this question. After all, I see no reason why Mr. Gomez' association with the defendant should be brought into this case.

The Court: Yes. What is the purpose?

Mr. Trabucco: After all, the patent was issued in 1934. It was public knowledge as to what the construction was, and I [57] can't see why any association between the defendant and the plaintiff would have any bearing on the issues of this case, and I object to the questioning.

The Court: What is the purpose of this?

Mr. Mellin: The purpose is this: We want to prove by this evidence that our ring was copied by Mr. Gomez, and he having these particular rings of the plaintiff, rather of the patent owner, the particular rings in his possession, he saw the construction and copied them. If counsel wants to stipulate that they were copied and Mr. Gomez had full



(Testimony of Joseph Norman Wineroth.)

knowledge of them before he started to produce them, I will stop this line of testimony.

Mr. Trabucco: No, I won't do that. Mr. Gomez tells me he has never seen any of these rings prior to the time he was notified by Mr. Gardner, the then attorney for the defendant, of infringement. So I will not stipulate to anything like that.

The Court: I thought there was going to be no issue of infringement?

Mr. Mellin: There is not, your Honor. It is a question of copying. I want to show willful and deliberate action.

The Court: Are the parties agreed that if the validity of the patent is established there is infringement?

Mr. Mellin: That is correct. That is the stipulation, but we have this point—it goes to two points: One, we claim the infringement was willful and deliberate, which goes to [58] treble damages, and also goes to attorneys fees, and we want to show that the stage was set, that there was the access.

The Court: That issue——

Mr. Trabucco: That is something new in this case. There is no request for treble damages, as I recall.

Mr. Mellin: I did not prepare the pleadings, but I never saw one without it. It is in paragraph C, your Honor, of the cross-complaint. It prays that treble damages be awarded cross-complainant for willful nature of the infringement.

Mr. Trabucco: Even so, your Honor, after all the patent in suit was issued in 1934. It was no

(Testimony of Joseph Norman Wineroth.)

trade secret or anything of that kind. It was public knowledge. Anyone had the right to get a copy of the patent, and whatever he learned by his association should not have any bearing on this suit, as I see it.

The Court: It would have a bearing with respect to this cross-complaint, though, wouldn't it?

Mr. Trabucco: Well, let us go ahead.

The Court: I will overrule the objection.

Mr. Mellin: If your Honor please, I have been going on the assumption, and the testimony adduced in the case goes both to the issues raised by the cross-complaint as well as the main complaint, because the issues are the same.

Mr. Trabucco: Well, there was one cause of action dismissed, you know.

Mr. Mellin: That is what I meant. I meant the issues that [59] are still here.

The Court: I will overrule the objection.

(The last question was read by the reporter.)

Q. (By Mr. Mellin): That was in 1938. How about the years 1939, 1940 and 1941? Do you have those figures—have you?

A. Yes, I have. In 1939 the amount of rings would be about 1600. In 1940, for some reason or other, it went down to 400, and then in 1941 it went back to 3400. I am basing that on the amount of money spent. In 1934 it was 1206, and then it dropped to \$304, and in 1941 it went up to \$2502.

Q. From your knowledge of the merchandising of wedding rings and diamond engagement rings,

(Testimony of Joseph Norman Wineroth.)

will you state whether or not between the period of 1934 and, say, 1942, any rings other than the rings Exhibits B and C manufactured by Granat Bros. having a mechanical latch, appeared on the market commercially?

A. I never did see one.

Q. There are some now, are there?

A. There are.

Q. When did they commence to appear?

A. Well, in the last—just about this year, the beginning of this year.

Mr. Mellin: That is all. Cross-examine.

#### Cross-Examination

Q. (By Mr. Trabucco): Mr. Wineroth, your firm is manufacturing various types of ring ensembles, isn't that true? [60]

A. I would like to straighten you out on that. From force of habit I keep saying we are manufacturers. Specifically, my firm is not a manufacturer. There are two separate firms.

Q. You are selling different types?

A. Selling, I am.

Q. And it is the fact, is it not, that Granat Bros. own patents on various types of ring ensembles? A. Yes, they do.

Q. At the present time what type of ring ensembles is being made and sold more extensively than the other type?

A. More extensively than the other types?

Q. Yes.

A. Well, we have a type which is a little different type than Exhibits A and B, that you refer to there.

(Testimony of Joseph Norman Wineroth.)

Q. Does it have a dove-tailed interconnecting means? A. No, it does not.

Q. Are you manufacturing that dove-tailed type of connecting ring now?

A. Frankly, we have several types of interlocking rings and we are manufacturing all of them. We have never stopped manufacturing any type. We have made improvements and made different types, and we continue to manufacture all of them.

Q. That is true, but I have before me two other patents other than the one which is in suit here; one is 1,982,864.

A. Frankly, you would have to show me the picture. The number [61] doesn't mean a thing to me.

Q. This, I believe, is a type where the projection extends into a hole in one ring.

A. Yes, that is right.

Q. Would you say that you are manufacturing the type of ring in 1,982,864?

A. Yes, we are manufacturing this one.

Q. Are you manufacturing that exclusively?

A. No.

Q. What other types are you manufacturing?

A. As I told you, we have several types.

Q. Will you please explain what other types you are manufacturing?

A. We have a snap type, too, that we are manufacturing.

Q. Any other type?

A. That is the only two I know of.

Q. Your testimony here has been directed to

(Testimony of Joseph Norman Wineroth.)

what counsel refers to as mechanical connecting type rings.      A. Yes.

Q. That is a rather general term. The prior art shows many types of mechanical connections between rings. Would you please distinguish and point out to the court what particular type of mechanical connecting means you are now employing in the manufacture of rings?

A. We are employing this type that was shown to me there. [62]

Mr. Mellin: Exhibits B and C.

The Witness: Exhibits B and C, and we are manufacturing and selling another type that has not even been shown here.

Q. (By Mr. Trabucco): That I believe is the one——

A. No, you don't even have a photograph or picture of it.

Q. Prior to the issuance of the patent in suit there was a patent issued to J. Granat, 1,982,846, which shows a mechanical connecting type of ring. Is that the type——

A. That is the type you showed me.

Q. Did you first commence the manufacture of that which I just showed you first?

A. That is our first ring.

Q. Which one?

A. The one you just showed me.

Q. This patent that I have in my hand was issued prior to the patent in suit.

A. Pardon me. Can I see those again?



(Testimony of Joseph Norman Wineroth.)

Q. Yes. A. Now, what was the question?

(Question read.)

A. Are you trying to say there was a patent issued before this?

Q. (By Mr. Trabucco): I am referring to the patent you have in your hand, 1,982,864, and I will ask you again, was that the first type of ring ensemble that was manufactured by Granat Bros.? [63]

A. The first type of ring ensemble?

Q. Yes.

A. It is not the first type of ring ensemble.

Q. It was the first type that you commenced to manufacture?

A. You asked a question there; you said "ring ensemble."

Q. Yes, comprising two rings locked together.

A. That is a different question. Locked together with mechanical lock?

Q. Yes.

A. I would say this is the first. I am not too familiar with all these patent numbers and things.

Q. The one shown in 1,982,864. Then that was the first type that you commenced to manufacture?

A. If you showed me samples of rings and not drawings or numbers, I can tell better.

Q. I will show you the one I referred to and ask you to examine these drawings.

A. It looks like it. I can't answer that—I mean that way.



(Testimony of Joseph Norman Wineroth.)

Q. How many rings and for how long did you continue to manufacture the ring ensemble shown in patent 1,982,864?

A. If this depicts the sample ring shown to me in Exhibit A and B, whatever it is, that ring we first brought out in about 1934 and we have manufactured it continuously since then.

Q. The ring that I am referring to is not the one shown in Exhibit A and B but is another type.

A. Then I can't read this. I can't answer that. You will have to show me rings. I am not an expert on drawings. I know rings.

Q. You never manufactured——

A. If you show me the ring I can tell you, but I don't know here what I am looking at.

Q. Will you describe the ring you first manufactured?

A. If you show me the ring I will answer.

Q. Describe the ring you first manufactured.

A. Describe the ring?

Q. Yes, the connecting means between the rings.

A. You have a sample there that I can show you.

Q. Will you kindly explain what type it was?

A. There were two rings; one had a male, the other a female part. That is the only way I can tell you.

Q. Did one have a lug and the other an opening?

A. That is right.

Q. The opening was in the side of one of the rings?

A. The opening was in the side and the lug was on the wedding ring.

(Testimony of Joseph Norman Wineroth.)

Q. That particular type of ring shown in patent 1,982,864, is it not?

Mr. Mellin: If your Honor please, this is a little outside the scope of the direct examination, asking him about a patent that is not even involved.

The Court: I think it calls for his opinion, and inasmuch as I would not want to let the patent experts testify to that, I do [65] not think I should let this witness testify about it.

Mr. Trabucco: There are various types of rings manufactured by the defendant.

The Court: Yes, but you are asking him for an opinion as to whether or not this patent covers that. I think he can't answer that, and I would not give any weight to his testimony if he did.

Q. (By Mr. Trabucco): Will you kindly describe the first ring that you manufactured, ring ensemble?

A. The first ring ensemble with a locking feature?

Q. Yes.

A. The first ring ensemble with a locking feature was a diamond set engagement ring and a diamond set wedding ring, and there was an opening on the engagement ring and a peg or whatever you would want to call it on the wedding ring. One was inserted in the other. Thereby they were locked in that fashion.

Mr. Trabucco: I will introduce this Granat patent 1,982,864 in evidence and ask that it be marked, it being the patented device just described by the witness.

(Testimony of Joseph Norman Wineroth.)

Mr. Mellin: If your Honor please, I object to that as being a complete misstatement and I also object on the ground that that patent is immaterial. It is not in suit. It is not being offered as prior art. The witness testified he did not know how the ring shown there was made. The witness has said the ring that was made was like one of the physical exhibits, and counsel is stating that the witness said it is like the ring described by the witness. [66]

The Court: I am not following this. I do not know what the purpose of it is. This is an earlier patent than the one in suit.

Mr. Trabucco: Yes, and the defendant has testified generally that they manufactured a large number of interlocking type rings, while at the same time they had several patents covering different types of interlocking rings. Now there is only one patent involved in the suit, and that is the type that has the tongue-and-groove, dove-tailed connection, and the one just described——

The Court: But I do not see the point of this examination.

Mr. Trabucco: This goes to treble damages. I want to be sure that my client has manufactured a ring which would come within the scope of the patent in suit.

Mr. Mellin: Your Honor, there is no issue here. It was stipulated if the patent is valid it was infringed.

The Court: I understand if the patent in suit is declared valid, it was infringed.

(Testimony of Joseph Norman Wineroth.)

Mr. Trabucco: I agree with you, your Honor, but——

The Court: You are not trying to present some evidence that your client infringed some other patent as well?

Mr. Trabucco: That hasn't any bearing on this case, but the point is you allowed testimony on the theory that treble damages was involved. This goes to the question of how much those treble damages would be. [67]

The Court: I do not want to tell you what to do, Mr. Trabucco, but I think that that would be something that you would steer away from rather than to bring up.

Mr. Trabucco: I merely want to show that there were other types of rings being made and sold by the defendant, that the so-called commercial success was not due to the manufacture and sale of this particular type of ring which is embodied in the patent in suit, but whatever sales can be attributed to this particular type of ring may be attributed to the patent that I just introduced in evidence, or offered in evidence.

The Court: Your opponent does not contend that. He said they manufactured several kinds. The witness has already testified to that.

Mr. Trabucco: I objected to that testimony.

The Court: It is not quite clear to me what you are trying to do.

Mr. Trabucco: It is not of consequence, but I do not want this commercial success contention to influence the issues in this case in any way.

(Testimony of Joseph Norman Wineroth.)

The Court: You are entitled, of course, to re-examine him on this question of whether or not the rings manufactured pursuant to the patent in suit had commercial success, but I do not see what some other ring manufactured according to some other patent would have to do with it.

Mr. Trabucco: The point is if rings manufactured by the defendant embodied another construction other than that covered by the patent in suit, whatever success in this particular enterprise was had would be attributed to the ring that was sold more extensively.

The Court: You mean you want to show that whatever commercial success there was in connection with rings other than rings manufactured——

Mr. Trabucco: Yes.

The Court: And there was no commercial success at all dependent upon the rings manufactured pursuant to the patent?

Mr. Trabucco: I do not say any commercial success, but I say the majority of the commercial success or the most commercial success involved could be attributed to another type of ring which was sold and manufactured by the defendant.

The Court: I do not want to shut you off on this if you think there is something there of importance, but I do not quite see the relevancy of the testimony that because there was commercial success in some other ring, that that means there was not commercial success in the particular ring with which we are concerned here. That is not



(Testimony of Joseph Norman Wineroth.)

claimed, that that was the only ring that was manufactured.

Mr. Mellin: Our contention, your Honor, is that the exhibits we offered were the only latching type—that is B and C, I think—were the only latching type of mechanical latched rings that were sold by the plaintiff or under the plaintiff's [69] patent from 1934 to at least 1941. That was the only type. There wasn't any other type sold. That was the only type. Then the witness testified that that latch was the same as the patent in suit. Now, they bring up another patent and by broad language try to incorporate it in evidence, and I say that that is totally immaterial. If the rings sold followed the patent in suit, and those were the only rings they sold, then we say the commercial success is attributed to the patent in suit. They did sell later, which I brought out, because counsel insisted, because of a style change, some other type of latching device but I did not go into that. I stayed within Exhibits B and C.

The Court: I think counsel would have the right to proffer this other patent if he wishes to make the argument, if he has basis in fact that the rings manufactured were in accordance with this patent and not the other.

Mr. Mellin: I agree, your Honor, for that purpose, but I do not see how he can examine this witness who never saw a patent on it.

The Court: That was the point of my sustaining an objection. I do not think the witness can testify to that.



(Testimony of Joseph Norman Wineroth.)

Mr. Trabucco: The only point is the witness described the construction shown in this exhibit.

The Court: That, I think, is immaterial.

Mr. Trabucco: I will offer this in evidence. [70]

The Court: You may offer that patent in evidence and make such deductions and argument from it that you wish.

Mr. Trabucco: Yes.

(The J. Granat patent 1,982,864 was received in evidence and marked Plaintiff's Exhibit 4.)

Q. (By Mr. Trabucco): Then as a matter of fact you have manufactured various types of ring ensembles, having various kinds of interlocking connections between them since the issuance of the patent in suit, is that not true? A. Yes.

Q. You have no knowledge as to whether any ring ensembles having mechanical locking means were sold prior to 1934, have you?

A. I can truthfully tell you I have never seen one and I have never heard of one in the jewelry business who has seen one.

Q. Are you familiar with the Thomas patent?

A. No, I am not.

Q. If I showed it to you would it recall to your memory having seen a ring of that type?

A. As I told you before, sir, I can't read mechanical drawings. If you showed me the actual rings I could tell you.

Q. Are you familiar with the Feature Lock Ring?

(Testimony of Joseph Norman Wineroth.)

A. Am I familiar with that? Yes.

Q. What type of connection has it?

A. It has a locking device that you have to turn the rings [71] around, but I might——

Q. That is being manufactured by some competitor of yours, is it not?

A. That is right.

Mr. Mellin: Your Honor, may I object to this line of testimony unless these rings were the rings that were produced within the last year and came on the market under various trade names. Unless it is first shown that they are prior to the patent in suit, I think it is completely immaterial whether or not other people are infringing. That is no excuse for the plaintiff's infringement.

Mr. Trabucco: It is material because a feature locking ring is a ring manufactured by a competitor of the defendant and it is manufactured in accordance with the Thomas patent, which has long since expired.

The Court: Are you asking some question of the witness now?

Mr. Trabucco: I merely asked him if he was familiar with that.

The Court: He said he was not.

Mr. Trabucco: He said he was familiar with the feature lock type of ring.

The Court: Yes.

Q. (By Mr. Trabucco): Do you know whether or not the feature lock type ring performs the same functions as the locking means of your rings?

(Testimony of Joseph Norman Wineroth.)

Mr. Mellin: If your Honor please, I still insist and still object until it is first shown that this feature lock ring was put out more than two years prior to 1934, which is the date of the application of this patent. No matter what rings came out in 1947 or 1948, that has no bearing on whether there was an invention in 1934 of this ring. It is completely immaterial. It is almost fourteen years after the fact. I can't see the materiality of it. If he cannot connect the feature lock ring in argument or some other fashion and show any evidence that it was put out prior to 1934, the date of the application, then it would be material, but because it came out in 1948, fourteen years after the fact of invention, how can it possibly bear on whether or not at that time an invention was made, or whether it was new?

The Court: Maybe counsel has means of showing it.

Mr. Mellin: He can't show it by this witness.

The Court: No, he is just establishing the fact that there is a feature lock ring, and it is being sold now.

Q. Is that correct?           A. That is correct.

Q. (By Mr. Trabucco): Do you have any knowledge as to whether or not Mr. Gomez did work on the particular type of ring shown in Defendants' Exhibits A and B?

A. Do I have knowledge?

Q. Yes. [73]

A. That he did what?

(Testimony of Joseph Norman Wineroth.)

Q. Did any work for you with respect to that type of ring ensemble?

A. I would say yes. I want to qualify that statement. I never looked personally at every ring that was given to Mr. Gomez, but I know how the work was distributed, and as our rings came down from the factory we just put so many in an envelope and sent them in to our diamond department, as we call it, and the man in there picked out the Melese.

Q. Did you see any of the rings that went to Mr. Gomez?      A. I saw a great many, yes.

Q. Did you see ensembles of the type shown in B and C?

A. You are asking me a question that I would rather not answer. In other words, I wouldn't swear on a stack of bibles that I have seen that particular ring. I wouldn't want to do that.

Mr. Trabucco: That is all.

### Redirect Examination

Q. (By Mr. Mellin): Just to clear up the testimony, Mr. Wineroth, I again hand you Defendant's Exhibit C, which is a locking means such as you testified is in the patent in suit, and ask you if that is the one and only type of ring which you manufactured and sold between 1934 and 1941.

The Court: He has already said that. It doesn't do any good to have it repeated. He has already testified to that.

(Testimony of Joseph Norman Wineroth.)

Q. (By Mr. Mellin): Prior to that time did Granat Bros. manufacture [74] any other kind of mechanically latched ring?

A. None, whatsoever.

Mr. Mellin: That is all.

The Court: We will take a five minute recess.

**RALPH D. GOMEZ**

called as a witness on behalf of the defendants, having been first duly sworn, testified as follows:

Q. (By the Clerk): State your name to the court, please.      A. Ralph D. Gomez.

**Direct Examination**

Q. (By Mr. Mellin): Will you give your age and residence, Mr. Gomez?

A. My age is 45; residence 15 Cranleigh Drive.

Q. San Francisco?      A. San Francisco.

Q. You are one of the plaintiffs here?

A. I am.

Q. And you are a copartner in Gomez Manufacturing Company, the other plaintiff?

A. Yes.

Q. And that is a copartnership between yourself and William Henderson?

A. That is right. [75]

Q. Mr. Henderson is a resident of San Francisco, is he not?

A. No, he is a resident of Larkspur.

Q. Marin County?      A. That is right.

Q. What is the nature of your business, Mr. Gomez?      A. Jewelry manufacturing.

Q. What items do you manufacture?

A. I beg your pardon?

(Testimony of Ralph D. Gomez.)

Q. What items do you manufacture?

A. Diamond rings.

Q. Is that the only articles that you manufacture, just diamond ring ensembles?

A. We do some special other work, too.

Q. Is that in the nature of diamond setting, Mr. Gomez?

A. No, diamond setting and manufacturing articles outside of rings.

Q. How long have you been in the business of manufacturing ring ensembles?

A. About ten years.

Q. The ring ensemble we have been talking about is an engagement ring and wedding ring, is that correct?      A. That is correct.

Q. How long have you been making an engagement ring and wedding ring ensemble in which there is a means of connecting the engagement and wedding rings together? [76]

A. Since the early part of this year.

Q. Since the early part of 1948?

A. That is right.

Q. Prior to that time you had been manufacturing engagement ring and wedding ring ensembles which did not have a particular kind of latching means to clasp the two together?

A. Not to clasp the two together, no.

Q. I hand you a wedding ring ensemble which is marked Defendants' Exhibit A For Identification and ask you if you recognize it.

A. Yes, I do.



(Testimony of Ralph D. Gomez.)

Q. Is that the ensemble that you manufactured, say, in the beginning of 1948?           A. Yes.

Mr. Mellin: I offer this as Defendants' Exhibit E, it being the rings that were previously marked Defendants' Exhibit A on the deposition.

(The rings previously marked Exhibit A on the deposition of Ralph D. Gomez were thereupon received in evidence and marked Defendants' Exhibit E.)

Q. (By Mr. Mellin): I show you a page of "The Humboldt Times, Eureka, California, July 11, 1948," and I call your attention particularly to an advertisement of Mathes Jewelry, and I call your attention to the ring ensembles there illustrated, and I ask you if those ring ensembles there shown are those of your manufacture? [77]

A. They are.

Mr. Mellin: I offer the paper in evidence as Defendants' next in order.

(The newspaper advertisement referred to was thereupon received in evidence and marked Defendants' Exhibit F.)

Q. (By Mr. Mellin): I am going to hand you a copy of your deposition so you can check me if I read parts of it to you, Mr. Gomez. May I have Exhibit E? There may be a slight confusion here, your Honor, because we have it in the deposition as Exhibit A, and it is now Exhibit E, and if there is no objection on the part of counsel, when Exhibit A appears, may I read Exhibit E? Is that all right, your Honor?

(Testimony of Ralph D. Gomez.)

The Court: Very well.

Q. (By Mr. Mellin): I call your attention to page 7 of your deposition, Mr. Gomez, and ask you if these questions were asked you and these answers given by you:

“Q. Now, prior to the time that you commenced the manufacture and sale of rings like ‘Defendants’ Exhibit E had you known of rings having similar locking means manufactured and sold commercially prior to that time?

“A. No, I don’t—I didn’t.”

That question was asked and you gave that answer?

A. Exhibit A is the same one you showed here.

Q. Yes. A. Yes, sir. [78]

Mr. Trabucco: Show him the ring.

Mr. Mellin: We are now calling it Exhibit E, Mr. Gomez. I apologize for having it slightly confused.

The Witness: That is correct.

Mr. Mellin: That is a correct answer. I read you starting from line 6:

“Q. Now, prior to the time that you made——. Strike. How long have you been in the business in San Francisco?

“A. I have been in the business in San Francisco since 1927.

“Q. You keep yourself rather informed as to what competing manufacturers and sellers of wedding ring ensembles are producing and sell?

“A. Somewhat.

(Testimony of Ralph D. Gomez.)

“Q. I mean, that is a general thing to do in the jewelry trade, isn’t it?

“A. Well, I don’t pay no attention to what the other manufacturers are manufacturing. I just try to produce my own designs, according to the trade or the business.

“Q. Now, I show you a ring ensemble set which is marked ‘Defendants’ Exhibit C For Identification’; and I will ask you if you recognize that ring set?”

The Witness: May I call your attention to this question here that I have been in business in San Francisco since 1927, which is true, but not manufacturing.

Q. (By Mr. Mellin): I understand that, Mr. Gomez. [79]

A. Therefore I would not be interested in that time in what some other people were manufacturing.

Q. Those questions were asked and you gave those answers?           A. Yes.

Q. You want to change that answer to that extent.

“Q. Now, I show you a ring ensemble set which is marked ‘Defendants’ Exhibit C for identification’.”

May I change that “C” to Exhibit B, with counsel’s consent.

“—and I will ask you if you recognize that ring set?           A. No, I don’t.

“Q. For the purpose of the record, I will advise you that that ring set was manufactured by

(Testimony of Ralph D. Gomez.)

Granat Bros., the defendant in the present action; and I will ask you, with that information, whether or not you had ever seen ring sets like those offered for sale or by Granat Bros. prior to 1948?

“A. I never have.”

Q. Those questions were asked you and you gave those answers?      A. That is correct.

Q. I continue:

“Q. Will you state that you had never seen any advertisements of Granat Bros. prior to 1948 of the ring set ‘Defendants’ Exhibit B’?

“A. No.”

The Witness: You have it Exhibit C here.

Q. It is Exhibit B, the same ring. [80]

“Q. Now, as I understand your testimony, and correct me if I am wrong, Mr. Gomez, the first time that you had ever seen a commercial ring set like and having the same locking means as ‘Defendants’ Exhibit E’ was at the time you produced that ring, is that correct?

“A. Yes. I produced my own rings. I didn’t understand the question.

“Q. Let’s get it straight then.      A. O. K.

“Q. Now, I show you again ‘Defendants’ Exhibit E,’ and I will ask you if you had ever seen any rings offered for sale or commercially produced having a similar locking means prior to the time that you made rings like Exhibit E?

“A. No.”

Were those questions asked of you and those answers given by you?      A. That is correct.

“Q. You never had?      A. Never had.

(Testimony of Ralph D. Gomez.)

“Q. To your knowledge, you had no knowledge of the existence of any such rings?

“A. That’s right.

“Q. What led you to produce rings like Exhibit E, Mr. Gomez?

“A. It has been the trend in the jewelry trade for some years to have something that would keep the rings together on the fingers, as I illustrated, by the means of curved [81] wedding rings that are so built to set with the engagement ring in order to get together—in order to stay together. That was my manufacturing before I hooked these rings together by having exactly the same principle and the same design—the same as you see in the engagement ring—and having a little indentation in the wedding ring, so when the rings were on the finger, they were all together.”

That question was asked and you gave that answer, and it is a correct answer?

A. That is correct.

“Q. If you will excuse me just a minute, I am going to try to find a picture like that one so we can identify.

“For example, I show you a copy of Patent No. 1,724,130, issued August 13th, 1928, to H. M. Dayton, et al.; and does that generally describe what you have just been referring to as one ring having a curved socket of some sort, and the other ring having a small counterpart to fit it to keep them from relatively rotating?

“A. Somewhat, yes.

(Testimony of Ralph D. Gomez.)

“Q. That has been the action that you have been speaking of?

“A. This particular ring, you have the whole body of the ring. Yes, that would be. I would say that would be it. That is what I was speaking about as a curved wedding ring, [82] and that is the sort of curved wedding ring where it is curved to fit into the body of the engagement ring.”

The patent I have referred to is this Dayton patent. You were asked those questions and you gave those answers?      A. Yes.

Mr. Mellin: May I offer that patent in evidence as Defendants' next in order, Exhibit G?

The Court: What is the name of that patent?

Mr. Mellin: Dayton.

(The Dayton patent referred to was thereupon received in evidence and marked Defendants' Exhibit G.)

Mr. Trabucco: I believe that is entirely immaterial. It does not show a construction at all similar to the type of ring embodied in the patent in suit. I see no reason why it should be introduced in evidence.

Mr. Mellin: I agree it does not show a similar type of ring, but it illustrates the witness' testimony of what he was making before he made the infringing ring.

The Court: I see.

The Witness: This question doesn't answer that correctly.



(Testimony of Ralph D. Gomez.)

The Court: Wait until there is a question.

The Witness: I am sorry, your Honor.

Mr. Mellin: I am reading now from page 12 line 8, Mr. Gomez:

“Q. What was the reason after making those that you started making rings such as shown in ‘Defendants’ Exhibit E? [83]

“A. As I said before, it has been the trend in the trade for many years to find——

“Q. An efficient means to hook them together?

“A. Yes; to hold them together.

“Q. This prior ring that you were making as illustrated in the sketch, ‘Defendants’ D,’ did that hold them together?

“A. Not as well as they do now.

“Q. Not as well as ‘Defendants’ Exhibit E?’

“A. That’s right.

“Q. So you considered that the ring, ‘Defendants’ Exhibit E,’ was an improvement over the type that you previously manufactured, ‘Defendants’ D For Identification’?

“A. That’s right.”

Q. Were those questions asked you and those answers given, Mr. Gomez?

A. Yes, that is correct.

Mr. Mellin: May I offer in evidence a sketch, your Honor, which is referred to in the deposition as Defendants’ Exhibit D For Identification, as Defendants’ next in order?

(The sketch referred to was thereupon received in evidence and marked Defendants’ Exhibit H.)

(Testimony of Ralph D. Gomez.)

Mr. Trabucco: It is to be understood, your Honor, in this matter a page was omitted by counsel, and that the testimony just given and read by counsel refers to this particular sketch [84] and not to the construction of the ring ensemble that he actually manufactures now.

Q. (By Mr. Mellin): Those questions were asked you and you gave those answers?

A. Yes.

Q. I am referring to the bottom of page 13:

“Q. Now, approximately how many sets such as ‘Defendants’ Exhibit A For Identification’ in round numbers have you made and sold since the commencement of 1948? A. Well—

“A. Perhaps 800 sets.

“Q. 800 sets. During that time how many sets would you guess that you made of the type of ring shown in ‘Defendants’ Exhibit H’?

“A. I would say at least as many.

“Q. Just as many. About 800 sets of each?

“A. That’s right.

“Q. How long have you known of Granat Bros. jewelry concern here in San Francisco?

“A. Oh, since 1928. ’27, rather.

“Q. You were familiar with the fact they were wholesale jewelry manufacturers during that period? Isn’t that correct?

“A. No, not during that period.

“Q. During what period, as far as your recollection concerns [85] it?

“A. About the only knowledge that I had was that they were retailers’ manufacturers, and then

(Testimony of Ralph D. Gomez.)

a distributor in San Francisco was distributing the merchandise, from which I had a knowledge through the distributor rather than the concern itself.

“Q. I see. But you didn’t know all during that period that they manufactured ring ensembles?

“A. Yes. I knew that, yes.

“Q. During all that period you also knew that they had a retail store here in San Francisco?

“A. That’s right.

“Q. You never tried to sell them merchandise, did you?      A. No, never did.

“Q. Did you ever sell them merchandise?

“A. No, I haven’t.

“Q. How long have you known of the Granat trademark for wedding ring ensembles ‘Wedlock’?

“A. That, I am afraid, I wouldn’t be able to answer you, because I don’t particularly pay much attention to the different names and different trade names at all.

“Q. But you had heard of it?

“A. Oh, yes, I had. Absolutely, I have heard of them, yes. In fact, I read in the papers—that in the newspapers every week. [86]

“Q. But, I mean, you heard of that ring ensemble being sold by Granat under that trademark long prior to 1948, didn’t you?

“A. Well, I wouldn’t say that, because they had another name which I was more familiar with than this other one. That was ‘Interlock.’

“Q. Were you familiar with the ‘Interlock’ rings?      A. Yes, I was.

(Testimony of Ralph D. Gomez.)

“Q. You read the trade journals rather carefully each issue, like the rest of the jewelers?”

“A. No, I don’t.

“Q. You don’t pay any attention to them?”

“A. Not much. Of course, I read through it very lightly.

“Q. If the ‘Wedlock’ wedding ring, such as is marked for identification ‘Defendants’ Exhibit B,’ was illustrated therein, you would have seen it, wouldn’t you, prior to 1948?”

“A. Yes, I would.

“Q. If the newspapers in San Francisco had advertised ‘Wedlock’ ring ensembles for sale prior to 1948, you would be more than likely to have seen those, wouldn’t you?”

“A. I would have, yes, sir.

“Q. I just want to make certain that we are not misunderstanding each other. As I understand your testimony, it is that you had never seen any rings put out by any one else but yourself which incorporated this locking feature that is embodied in the rings marked ‘Defendants’ Exhibit B’? [87]

“A. That’s right.”

Those questions were asked you and those answers were given by you, Mr. Gomez?

A. Yes.

Q. And they are all correct?

A. The exhibit has a different letter, but that is all right, isn’t it?

Q. I changed it to correspond, with your counsel’s permission.

I go to page 17, line 15:

(Testimony of Ralph D. Gomez.)

“Q. But you never saw a Granat Bros. product such as Exhibit B?      A. Never did.

“Q. Or having the particular kind of locking means shown or embodied in Exhibit B?

“A. No.

“Q. That is, prior to 1948?

“A. That’s right.

“Q. Now, outside of Granat Bros. locking ring, had you seen any other ring ensembles which locked together prior to 1948?

“A. Yes. I saw the Mel Harris.

“Q. The what?      A. Mel Harris.

“Q. Mel Harris?      A. That’s right. [88]

“Q. Do you know the trade name of that ring?

“A. No, I don’t.

“Q. As you recollect, how was that constructed?

“A. Well, that is connected by means of a pin on the bottom of the shank.”

I am skipping to line 21 on page 18:

“Q. What about the Mel Harris ring? When did you first see that?

“A. Oh, perhaps a year, two years ago.

“Q. Not before then?      A. No.

“Q. Now, I show you a prior patent, which is cited in this litigation, No. 424,211; and calling your attention to the pictures, have you ever seen a commercial ring made like those illustrated?

“A. Yes, I have.

“Q. When?

“A. Oh, perhaps three or four years ago.

“Q. Not before that time?”



(Testimony of Ralph D. Gomez.)

Q. Those questions were asked of you and you gave those answers, and they are correct answers?

A. Yes.

Q. Then I showed you patents, Mr. Gomez, isn't that so, at that time?

"Q. I show you patent No. 464,749; and ask you if [89] you ever saw a ring put out commercially that was built like that?

"A. I have to——. No, I don't have a recollection right off now. Perhaps if I think any further, I may come to a ring that might have been sold commercially with that.

"Q. I just want whether you recall whether you saw any ring like that before.

"A. I don't recall just at present.

"Q. I show you patent No. 1,536,540, and ask you whether you ever saw a ring sold like that commercially.

"A. Yes. They are being sold commercially now.

"Q. I know they are. But how long have you known of that ring being sold commercially?

"A. No, I can't say that I remember.

"Q. That has been within the last two years, hasn't it, Mr. Gomez? A. What?

"Q. It has only been within the last two years that rings like the patent I just showed you—1,536,540—have been sold commercially? Isn't that so?

"A. Well. I don't think so. I think a lot of these connecting features have been sold in the past, many years ago. I mean, just like the ones



(Testimony of Ralph D. Gomez.)

shown there. Just like those, and many others like this other one. That feature in the jewelry industry has been in existence for many, many years [90] in one form or the other. Whether it pins, or it pulls, or pushes, those connections have been manufactured in many, many forms."

Q. Those questions were asked and you gave those answers and they are correct? A. Yes.

Q. I turn to page 21, line 2:

"Q. Now, I show you Patent 200,228, and ask you if you saw a ring such as illustrated there sold commercially?

"A. Oh, yes. This is Mel Harris's.

"Q. Is that the Mel Harris ring that you were referring to?

"A. Yes, that's right. You see, it has the slot down at the bottom of the shank here. Apparently it has another one on top.

"Q. When did you first see that one?

"A. Oh, perhaps a year and a half, two years ago."

Q. (By the Court): Have you read over your deposition? A. Yes, I did.

Q. All the answers in there are correct?

A. Yes.

The Court: All right. Let that answer stand and you can call my attention to any further testimony in that deposition you wish.

Mr. Mellin: I am not going to read any further. I was through. [91]

Q. And those questions I read you and those answers you gave were given on your depositions and the answers are the correct ones?

(Testimony of Ralph D. Gomez.)

A. That is correct, with the exception of that point in here that I called your attention to. I was referring not to the ring I was making, but I was referring to the curved wedding ring that fits the body of the ring. That is not similar to the one I was making. The one I was making is different from that particular one.

Q. Do you have with you one of the rings you were making?      A. Yes, I have.

Q. Did this have a mechanical latch?

A. No, it has not.

Mr. Mellin: May I offer these rings in evidence with your permission, Counsel?

Mr. Trabucco: I was going to introduce them, myself.

Mr. Melin: I will introduce them as Defendants' Exhibit next in order.

(The rings referred to were thereupon received in evidence and marked Defendants' Exhibit I.)

Q. (By Mr. Mellin): The Defendants' Exhibit I, which are the rings you just handed me, are the rings which you made prior to 1948 when you commenced making a ring which mechanically latched together?      A. That is correct. [92]

Q. Such as Defendants' Exhibit E?

(Testimony of Ralph D. Gomez.)

A. That is correct.

Mr. Mellin: That is all.

### Cross-Examination

Q. (By Mr. Trabucco): The inference has been made here that you might have seen a ring ensemble manufactured by the defendant, Granat Bros., having a mechanical locking feature. Have you or did you prior to the manufacture of your ring in 1948 ever see a ring of that type?

A. Never did see one.

Q. When did you first learn of that particular type of ring manufactured by the defendant?

A. When Granat Bros. wrote me with reference to infringing its patent. Until then I had no knowledge whatsoever that they had that particular type.

Q. That was a letter addressed to you by Mr. Gardner, of Oakland?      A. Mr. Gardner, yes.

Q. That was in the spring of this year, is that not true?      A. That is correct.

Mr. Trabucco: That is all.

Mr. Mellin: No further questions. [93]

### FORREST R. QUICK

was called as a witness on behalf of the defendants, and being first duly sworn, testified as follows:

Q. (By the Clerk): Will you state your name to the court?

(Testimony of Forrest R. Quick.)

A. Forrest R. Quick, 2950 Van Ness Avenue,  
San Francisco.

Direct Examination

Q. (By Mr. Mellin): What is your age, Mr. Quick?      A. 51.

Q. What is your occupation?

A. Controller, Granat Bros.

Q. That is the plaintiff in this action?

A. That is right.

Q. Are you familiar with the business details with regard to the financial end of Granat Bros.?

A. Yes, sir.

Q. Will you tell us, please, the average profit which Granat Bros. make on ring ensembles of the latching type in their store, and tell us how you arrived at those figures?

A. It is difficult to break that down in our various departments due to our method of operating. I can give you an example. Suppose our sales are 100 percent. Our gross profit is 45 percent, our cost of running our retail business is 37 percent, which would then leave us approximately 8 percent.

Q. Would you say it was a fair statement to make that on the sales of diamond ensemble rings of the latching type that the [94] Granat Bros. would normally make at least a net profit of approximately 8 percent?      A. I think so.

Mr. Mellin: That is all.

(Testimony of Forrest R. Quick.)

Cross-Examination

Q. (By Mr. Trabucco): There are several different types of ring ensembles being manufactured by Granat Bros., is that so?

A. That is true.

Q. And there are various types of ring ensembles having different types of mechanical locking means, is that not true?      A. That is true.

Mr. Mellin: That concludes the defendants' case, your Honor.

Mr. Trabucco: I would like to call Mr. Gomez.

RALPH D. GOMEZ

recalled as a witness in rebuttal, and having been previously duly sworn, testified as follows:

Direct Examination

Q. (By Mr. Trabucco): Have you examined the September publication of "Jewelers' Circular Keystone," a catalog?      A. Yes, I have.

Q. Will you point out the various types of ring ensembles having mechanical connecting means between which are illustrated in this catalog?

Mr. Mellin: If your Honor please, I must object to this [95] testimony as unnecessarily encumbering the record, because unless there is a foundation laid that the rings shown in that catalog were manufactured or that that catalog ante-

(Testimony of Ralph D. Gomez.)

dates the patent, which is the year 1935, it is immaterial, because how can they anticipate a patent by a catalog of 1948?

Mr. Trabucco: There isn't any contention here as to the catalog anticipating the patent in suit.

Mr. Melin: Then it is immaterial.

Mr. Trabucco: The purpose of this exhibit is to show that at the present time any ring ensembles having mechanical locking features which not necessarily are manufactured in accordance with the patent in suit, but this exhibit does indicate that there are a large number of such rings being sold, and that the Granat Bros. has not the exclusive mark on such types of rings. It goes to show that the commercial success of the defendant is not such as has been represented here.

Mr. Mellin: The testimony is, your Honor, that up until approximately early this year, 1948, as Mr. Wineroth testified, there appeared other ring ensembles. Up until that time they had the exclusive field. I do not see how any excuse can be made for infringement by the use of the patent here in suit or what material bearing it has on the matter if there are others infringing at this late date, fourteen years after the application for the patent. It is immaterial. It has no bearing on any issue of whether the patent is valid or invalid, and [96] we have freely admitted other rings have appeared, but the fact that there may have been other infringers or other structures does not



(Testimony of Ralph D. Gomez.)

seem to have any bearing on whether this patent is valid.

The Court: I do not see the materiality as to the validity of the patent.

Mr. Trabucco: No, it does to the commercial success.

The Court: Even granted it would go to the question of the commercial success. It does not negate the claim of the defendant that they had commercial success with those rings. Maybe a lot of other people have been successful, too, but how does that affect the matter?

Mr. Trabucco: It lessens the efficacy of such testimony, I would say.

The Court: I do not think so. You may have that marked for identification to have the record clear as to what you have offered.

Mr. Trabucco: I will ask that it be marked for identification.

(The catalog referred to was thereupon marked Plaintiff's Exhibit 5 for Identification.)

Mr. Mellin: The plaintiff rests?

Mr. Trabucco: Yes.

Mr. Mellin: So does the defendant, your Honor.

The Court: What is your pleasure, gentlemen, about submitting the matter? [97]

(Discussion with reference to submission.)

The Court: Would you gentlemen come out here Tuesday at 9:30?

Mr. Trabucco: Yes, your Honor.

The Court: Would that be agreeable?

Mr. Mellin: Yes. What time are you allotting, your Honor?

The Court: I have a case set for ten o'clock but we will postpone that. Suppose we allow an hour to both sides. Would that be sufficient? I mean half an hour apiece.

Mr. Mellin: I think that would be all right.

Mr. Trabucco: I should think that a half hour would be plenty.

(The matter was continued until Tuesday, November 16, 1948, at 9:30 o'clock a.m.)

[Endorsed]: Filed Nov. 16, 1948. [98]

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[Endorsed]: No. 12160. United States Court of Appeals for the Ninth Circuit. Ralph D. Gomez and William Henderson, as individuals and co-partners doing business under the name of Gomez Manufacturing Company, Appellants, vs. Granat Bros., a corporation and Joseph Granat, Appellees. Transcript of Record. Appeal from the United States District Court for the Northern District of California, Southern Division.

Filed January 20, 1949.

/s/ PAUL P. O'BRIEN

Clerk of the United States Court of Appeals for the Ninth Circuit.

In the United States Circuit Court of Appeals  
for the Ninth Circuit

No. 12160

**RALPH D. GOMEZ and WILLIAM HENDER-  
SON, Co-Partners Doing Business Under the  
Name and Style of Gomez Manufacturing Com-  
pany,**

Plaintiffs,

vs.

**GRANAT BROS., a Corporation, and JOSEPH  
GRANAT,**

Defendants.

and

**GRANAT BROS., a Corporation,**

Cross Plaintiff,

vs.

**RALPH D. GOMEZ and WILLIAM HENDER-  
SON, As Individuals and Co-Partners, Doing  
Business Under the Name and Style of Gomez  
Manufacturing Company,**

Cross Defendants.

**STATEMENT OF POINTS ON WHICH AP-  
PELLANTS INTEND TO RELY ON AP-  
PEAL—AND DESIGNATION OF PARTS  
OF RECORD FOR PRINTING.**

Now comes the above named appellants, and through their counsel, specify that they desire to adopt as their points on appeal, the Statement of Point Relied Upon, appearing in the Transcript of the Record.

It is also stated that appellants desire the record as certified to be printed in its entirety save for

those items in the Designation of Contents of Record on Appeal which were specified as physical exhibits, and excepting also that portion of the Transcript of the evidence and proceedings before Judge Louis E. Goodman on November 12, 1948, commencing with line 9 of page 36, and ending with line 24 of page 37.

/s/ J. E. TRABUCCO

Attorney for Appellants.

(Acknowledgment of Service.)

[Endorsed]: Filed Jan. 21, 1949.

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[Title of U. S. Court of Appeals and Cause.]

### ORDER

To the United States Circuit Court of Appeals,  
for the Ninth Circuit:

For the purpose of avoiding unnecessary costs, it is respectfully requested that the original exhibits in the above entitled case be considered in their original form without being reproduced.

So Ordered:

/s/ WILLIAM DENMAN

/s/ CLIFTON MATHEWS

/s/ WILLIAM HEALY

U. S. Circuit Judges.

Respectfully submitted,

/s/ J. E. TRABUCCO,

Attorney for Appellants.

[Endorsed]: Filed January 21, 1949. Paul P. O'Brien, Clerk.